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JOURNAL

OF THE

SENATE

STATE OF MINNESOTA

SEVENTIETH LEGISLATURE

1978

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Introduction

On November 1, 1977, Senator John Milton (DFL), District 49, resigned his Senate seat and a special election was held December 3, 1977. Mrs. Delores (Dee) Knaak (IR), White Bear Lake, won election to this seat and was sworn in on December 9, 1977.

The political make-up of the 1978 Senate, Seventieth Session, was 48 DFL-ers and 19 Independent Republicans.

Members of the Senate

Anderson, Jerald C. (DFL)*	Menning, Marion (Mike) (DFL)
Ashbach, Robert O. (IR)**	Merriam, Gene (DFL)
Bang, Otto T., Jr. (IR)	Moe, Roger D. (DFL)
Benedict, Robert M. (DFL)	Nelson, Tom A. (DFL)
Bernhagen, John (IR)	Nichols, Jim (DFL)
Borden, Winston W. (DFL)	Ogdahl, Harmon T. (IR)
Brataas, Nancy (IR)	Olhoft, Wayne (DFL)
Chenoweth, John C. (DFL)	Olson, Howard D. (DFL)
Chmielewski, Florian (DFL)	Penny, Timothy J. (DFL)
Coleman, Nicholas D. (DFL)	Perpich, George F. (DFL)
Davies, Jack (DFL)	Peterson, Collin C. (DFL)
Dieterich, Neil (DFL)	Pillsbury, George S. (IR)
Dunn, Robert G. (IR)	Purfeerst, Clarence M. (DFL)
Engler, Steve (IR)	Renneke, Earl W. (IR)
Frederick, Mel (IR)	Schaaf, David D. (DFL)
Gearty, Edward J. (DFL)	Schmitz, Robert J. (DFL)
Gunderson, Jerome (DFL)	Schrom, Ed (DFL)
Hanson, Marvin B. (DFL)	Setzepfandt, A. O. H. (DFL)
Hughes, Jerome M. (DFL)	Sieloff, Ron (IR)
Humphrey, Hubert H., III (DFL)	Sikorski, Gerry (DFL)
Jensen, Carl A. (IR)	Sillers, Douglas H. (IR)
Johnson, Douglas J. (DFL)	Solon, Sam G. (DFL)
Keefe, John B. (IR)	Spear, Allan H. (DFL)
Keefe, Steve (DFL)	Staples, Emily Anne (DFL)
Kirchner, William G. (IR)	Stokowski, Eugene E. (DFL)
Kleinbaum, Jack I. (DFL)	Strand, Roger E. (DFL)
Knaak, Delores (IR)	Stumpf, Peter P. (DFL)
Knoll, Franklin J. (DFL)	Tennessee, Robert J. (DFL)
Knutson, Howard A. (IR)	Ueland, Arnulf, Jr. (IR)
Laufenburger, Roger (DFL)	Ulland, James (IR)
Lessard, Bob (DFL)	Vega, Conrad M. (DFL)
Lewis, B. Robert (DFL)	Wegener, Myrton O. (DFL)
Luther, William P. (DFL)	Willet, Gerald L. (DFL)
McCutcheon, Bill (DFL)	

*DFL—Democratic-Farmer-Labor

**IR—Independent Republican

Senate Leaders

Coleman, Nicholas D.	Majority Leader
Borden, Winston W.	Assistant Majority Leader
Johnson, Douglas J.	Majority Whip
Keefe, Steve	Majority Whip
Ashbach, Robert O.	Minority Leader
Frederick, Mel	Minority Whip
Bernhagen, John	Deputy Minority Whip
Dunn, Robert G.	Assistant Minority Leader
Jensen, Carl A.	Assistant Minority Leader
Knutson, Howard A.	Assistant Minority Leader

Officers of the Senate

Gearty, Edward J.	President
Flahaven, Patrick E.	Secretary of the Senate
Vavrosky, Joseph C.	First Assistant Secretary
Mattson, Janine	Second Assistant Secretary
Urman, Patrice	Third Assistant Secretary
Goodwin, George G.	Minority Secretary
Daly, Eugene P., Sr.	Sergeant at Arms
Larson, William	Assistant Sergeant at Arms
Ganje, Kay	Engrossing Secretary
Morrison, Catherine E.	Engrossing Clerk
Finn, Father Nicholas J.	Chaplain

SIXTY-SECOND DAY

St. Paul, Minnesota, Tuesday, January 17, 1978

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

CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate. The following Senators answered to their names:

Anderson	Frederick	Laufenburger	Perpich	Spear
Ashbach	Gearty	Lessard	Peterson	Staples
Bang	Gunderson	Lewis	Pillsbury	Stokowski
Benedict	Hanson	Luther	Purfeerst	Strand
Bernhagen	Hughes	McCutcheon	Renneke	Stumpf
Borden	Humphrey	Menning	Schaaf	Tennessee
Brataas	Jensen	Merriam	Schmitz	Ueland, A.
Chmielewski	Johnson	Moe	Schrom	Ulland, J.
Coleman	Keefe, J.	Nelson	Setzpfandt	Wegener
Davies	Keefe, S.	Ogdahl	Sieloff	Willet
Dieterich	Kirchner	Olhoff	Sikorski	
Dunn	Knaak	Olson	Sillers	
Engler	Knoll	Penny	Solon	

The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Father Nicholas J. Finn.

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

Anderson	Frederick	Knutson	Olson	Sillers
Ashbach	Gearty	Laufenburger	Penny	Solon
Bang	Gunderson	Lessard	Perpich	Spear
Benedict	Hanson	Lewis	Peterson	Staples
Bernhagen	Hughes	Luther	Pillsbury	Stokowski
Borden	Humphrey	McCutcheon	Purfeerst	Strand
Brataas	Jensen	Menning	Renneke	Stumpf
Chmielewski	Johnson	Merriam	Schaaf	Tennessee
Coleman	Keefe, J.	Moe	Schmitz	Ueland, A.
Davies	Keefe, S.	Nelson	Schrom	Ulland, J.
Dieterich	Kirchner	Nichols	Setzpfandt	Wegener
Dunn	Knaak	Ogdahl	Sieloff	Willet
Engler	Knoll	Olhoff	Sikorski	

The President declared a quorum present.

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

MEMBERS EXCUSED

Messrs. Chenoweth, Kleinbaum and Vega were excused from the Session of today.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received and referred to the committees indicated:

June 8, 1977

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

The following appointments to the Minnesota Board on Aging are hereby respectfully submitted to the Senate for confirmation as required by law:

Marty Martinovich, Eveleth, St. Louis County, has been appointed by me, effective January 3, 1977, for a term expiring the first Monday in January, 1979.

Joe Sherin, 2191 East Third Street, St. Paul, Ramsey County, has been appointed by me, effective January 3, 1977, for a term expiring the first Monday in January, 1979.

Archie Baumann, 307 East Chestnut, Redwood Falls, Redwood County, has been appointed by me, effective April 20, 1977, for a term expiring the first Monday in January, 1980.

Referred to the Committee on Health, Welfare and Corrections.

June 8, 1977

The following appointment to the Minnesota Environmental Education Board is hereby respectfully submitted to the Senate for confirmation as required by law:

Julia Copeland, 135 Melbourne Avenue Southeast, Minneapolis, Hennepin County, has been appointed by me effective January 3, 1977, for a term expiring the first Monday in January, 1979.

Referred to the Committee on Agriculture and Natural Resources.

June 8, 1977

The following appointment to the Minnesota-Wisconsin Boundary Area Commission is hereby respectfully submitted to the Senate for confirmation as required by law:

Howard Munson, 502 Westdale, Winona, Winona County, has been appointed by me, effective April 15, 1977, for a term expiring July 1, 1977.

Referred to the Committee on Governmental Operations.

June 29, 1977

The following appointment to the Minnesota Higher Education Facilities Authority is hereby respectfully submitted to the Senate for confirmation as required by law:

Bernard P. Friel, 750 Mohican Lane, Mendota Heights, Dakota County, has been appointed by me, effective May 17, 1977, for a term expiring the first Monday in January, 1983.

Referred to the Committee on Education.

June 30, 1977

The following appointments to the State Zoological Board are hereby respectfully submitted to the Senate for confirmation as required by law:

Connie DeLand, 112 West 52nd Street, Minneapolis, Hennepin County, has been appointed by me, effective May 4, 1977, for a term expiring the first Monday in January, 1979.

Sandra Day Stokesbary, 4203 Wentworth Avenue South, Minneapolis, Hennepin County, has been appointed by me, effective May 4, 1977, for a term expiring the first Monday in January, 1980.

Adolph Tobler, 915 Edmund Avenue, St. Paul, Ramsey County, has been appointed by me, effective May 4, 1977, for a term expiring the first Monday in January, 1980.

Jerome Wagner, 3939 Seventh Avenue North, Anoka, Anoka County, has been appointed by me, effective May 4, 1977, for a term expiring the first Monday in January, 1980.

Referred to the Committee on General Legislation and Veterans Affairs.

July 26, 1977

The following appointments to the Higher Education Coordinating Board are hereby respectfully submitted to the Senate for confirmation as required by law:

Dr. Geraldine Carter, 1706 Thomas Avenue, Minneapolis, Hennepin County, has been appointed by me, effective July 18, 1977, for a term expiring the first Monday in January, 1978.

Maxine Gaines, 191 Valleyside Drive, St. Paul, Ramsey County, has been appointed by me, effective July 18, 1977, for a term expiring the first Monday in January, 1978.

Verna Wood, 3208 Cedar Lane, Bemidji, Beltrami County, has been appointed by me, effective July 18, 1977, for a term expiring the first Monday in January, 1980.

Referred to the Committee on Education.

July 26, 1977

The following appointment to the Minnesota Municipal Board is hereby respectfully submitted to the Senate for confirmation as required by law:

Robert Johnson, 465 Rice Street, Anoka, Anoka County, has been appointed by me, effective September 30, 1977, for a term expiring September 30, 1983.

Referred to the Committee on Local Government.

July 26, 1977

The following appointment as Director of the Bureau of Mediation Services is hereby respectfully submitted to the Senate for confirmation as required by law:

Ernest H. Jones, 1910 Oakdale Avenue, West St. Paul, Ramsey County, has been appointed by me, effective March 1, 1977, for a term expiring the first Monday in January, 1979.

Referred to the Committee on Employment.

August 19, 1977

The following appointment as Chairman of the Water Planning Board is hereby respectfully submitted to the Senate for confirmation as required by law:

Thomas J. Kalitowski, 2230 Spruce Trail, Golden Valley, Hennepin County, has been appointed by me, effective August 17, 1977, for a term expiring January 1, 1979.

Referred to the Committee on Agriculture and Natural Resources.

August 22, 1977

The following appointment to the Crime Control Planning Board is hereby respectfully submitted to the Senate for confirmation as required by law:

John Sonsteng, R.R. 3, Cannon Falls, Goodhue County, has been appointed by me, effective July 29, 1977, for a term expiring the first Monday in January, 1981.

Referred to the Committee on Health, Welfare and Corrections.

August 24, 1977

The following appointments to the Crime Control Planning Board are hereby respectfully submitted to the Senate for confirmation as required by law:

Carol Lemcke, 124 Swiss Street, Mankato, Blue Earth County, has been appointed by me, effective July 29, 1977, for a term expiring January 1, 1979.

Gerald Benjamin, Jackson, Jackson County, has been ap-

pointed by me, effective July 29, 1977, for a term expiring January 1, 1978.

John D. Wunsch, 403 West 47th St., Minneapolis, Hennepin County, has been appointed by me, effective July 29, 1977, for a term expiring January 1, 1980.

Felipe Z. Ramirez, 6003 Lower 131st Street Court, Apple Valley, Dakota County, has been appointed by me, effective July 29, 1977, for a term expiring January 1, 1981.

Thomas Motherway, 3302-3rd Avenue W., Hibbing, St. Louis County, has been appointed by me, effective July 29, 1977, for a term expiring January 1, 1980.

Frederick D. McDougall, Sr., 1014-21st St., Bemidji, Beltrami County, has been appointed by me, effective July 29, 1977, for a term expiring January 1, 1978.

Jimmy Evans, 215 Oak Grove St., Minneapolis, Hennepin County, has been appointed by me, effective July 29, 1977, for a term expiring January 1, 1978.

Ruth Cain, 1122 Douglas, Alexandria, Douglas County, has been appointed by me, effective July 29, 1977, for a term expiring January 1, 1980.

Lise Schmidt, 210 Third St. S., St. Cloud, Stearns County, has been appointed by me, effective July 29, 1977, for a term expiring January 1, 1979.

Rosemary Ahmann, 521 Fourteenth Ave. S.W., Rochester, Olmsted County, has been appointed by me, effective July 29, 1977, for a term expiring January 1, 1981.

Referred to the Committee on Health, Welfare and Corrections.

August 24, 1977

The following appointment to the State Board for Community Colleges is hereby respectfully submitted to the Senate for confirmation as required by law:

Elna Ponto, Route 1, Box 235, Albert Lea, Freeborn County, has been appointed by me, effective June 30, 1977, for a term expiring January 1, 1980.

Referred to the Committee on Education.

November 9, 1977

The following appointment as Commissioner of the Department of Agriculture is hereby respectfully submitted to the Senate for confirmation as required by law:

Bill Walker, Route 1, Red Wing, Goodhue County, has been appointed by me, effective July 7, 1977, for a term expiring the first Monday in January, 1979.

Referred to the Committee on Agriculture and Natural Resources.

November 21, 1977

The following appointment to the Metropolitan Council is hereby respectfully submitted to the Senate for confirmation as required by law:

Patrick W. Colbert, Jr., 10325 Nicollet Avenue South, Bloomington, Hennepin County, has been appointed by me, effective September 26, 1977, for a term expiring on the first Monday in January, 1979.

Referred to the Committee on Governmental Operations.

November 21, 1977

The following appointment as Commissioner of the Department of Public Welfare is hereby respectfully submitted to the Senate for confirmation as required by law:

Edward J. Dirkswager, Jr., 2434 Virginia Circle, Roseville, Ramsey County, has been appointed by me, effective November 16, 1977, for a term expiring on the first Monday in January of 1979.

Referred to the Committee on Health, Welfare and Corrections.

November 23, 1977

The following appointment to the Minnesota Corrections Board is hereby respectfully submitted to the Senate for confirmation as required by law:

Mrs. Dorothy Skwiera, 2301 N.E. 3rd St., Minneapolis, Hennepin County, has been appointed by me, effective January 1, 1976, for a term expiring the first Monday in January, 1982.

Referred to the Committee on Health, Welfare and Corrections.

November 23, 1977

The following appointment to the State Designer Selection Board is hereby respectfully submitted to the Senate for confirmation as required by law:

Paul F. Bredow, 1533 W. County Road C2, Roseville, Ramsey County, has been appointed by me, effective July 5, 1975, for a term expiring January 2, 1978.

Referred to the Committee on Governmental Operations.

November 25, 1977

The following appointment to the Minnesota Corrections Board is hereby respectfully submitted to the Senate for confirmation as required by law:

Richard F. Alstad, 305 Channel Road, Albert Lea, Freeborn County, has been appointed by me, effective July 1, 1977, for a term expiring the first Monday in January, 1978.

Referred to the Committee on Health, Welfare and Corrections.

November 25, 1977

The following appointment to the Occupational Safety and Health Review Board is hereby respectfully submitted to the Senate for confirmation as required by law:

Fred Cina, 16 West 3rd Avenue North, Aurora, St. Louis County, has been appointed by me, effective August 1, 1977, for a term expiring January 2, 1979.

Referred to the Committee on Employment.

November 25, 1977

The following appointment to the State Soil and Water Conservation Board is hereby respectfully submitted to the Senate for confirmation as required by law:

Marylyn Deneen, 831 West Nebraska Avenue, St. Paul, Ramsey County, has been appointed by me, effective July 1, 1977, for a term expiring January 1, 1979.

Referred to the Committee on Agriculture and Natural Resources.

November 25, 1977

The following appointment as Commissioner of the Department of Natural Resources is hereby respectfully submitted to the Senate for confirmation as required by law:

William Nye, 225 Park Avenue, Mahtomedi, Washington County, has been appointed by me, effective July 1, 1977, for a term expiring the first Monday in January, 1979.

Referred to the Committee on Agriculture and Natural Resources.

November 25, 1977

The following appointment to the Ethical Practices Board is hereby respectfully submitted to the Senate for confirmation as required by law:

Mary Jo Richardson, 2085 Palace Avenue, St. Paul, Ramsey County, has been appointed by me, effective July 1, 1977, for a term expiring January 1, 1979.

Referred to the Committee on Elections.

December 6, 1977

The following appointment to the Minnesota-Wisconsin Boundary Area Commission is hereby respectfully submitted to the Senate for confirmation as required by law:

Dr. John Borchert, 23239 St. Croix Trail, Scandia, Washington County, has been appointed by me, effective July 1, 1977, for a term expiring July 1, 1981.

Referred to the Committee on Governmental Operations.

December 6, 1977

The following appointment to the Minnesota-Wisconsin Boundary Area Commission is hereby respectfully submitted to the Senate for confirmation as required by law:

Robert Burns, 2501 Hudson Road, P.O. 33427, St. Paul, Ramsey County, has been appointed by me, effective July 1, 1977, for a term expiring July 1, 1981.

Referred to the Committee on Governmental Operations.

December 6, 1977

The following appointment to the Minnesota-Wisconsin Boundary Area Commission is hereby respectfully submitted to the Senate for confirmation as required by law:

Robert L. Nybo, Jr., 328 Main Street, Red Wing, Goodhue County, has been appointed by me, effective July 1, 1977, for a term expiring July 1, 1981.

Referred to the Committee on Governmental Operations.

December 6, 1977

The following appointment to the Minnesota-Wisconsin Boundary Area Commission is hereby respectfully submitted to the Senate for confirmation as required by law:

Howard R. Munson, 502 Westdale, Winona, Winona County, has been appointed by me, effective July 1, 1977, for a term expiring July 1, 1981.

Referred to the Committee on Governmental Operations.

January 9, 1978

The following appointment to the Minnesota Housing Finance Agency is hereby respectfully submitted to the Senate for confirmation as required by law:

Carmen Torgerson Del Castillo, 33 South Syndicate, St. Paul, Ramsey County, has been appointed by me, effective November 21, 1977, for a term expiring the first Monday in January, 1979.

Referred to the Committee on Energy and Housing.

January 9, 1978

The following appointment as Commissioner of the Department of Health is hereby respectfully submitted to the Senate for confirmation as required by law:

Dr. Warren Lawson, 5133 Mirror Lakes Drive, Edina, Hennepin County, has been appointed by me, effective December 6, 1977, for a term expiring the first Monday in January, 1979.

Referred to the Committee on Health, Welfare and Corrections.

January 9, 1978

The following appointment to the Cable Communications Board is hereby respectfully submitted to the Senate for confirmation as required by law:

John Stone, 608 East Minnesota, Glenwood, Pope County, has been appointed by me, effective January 1, 1978, for a term expiring the first Monday in January, 1981.

Referred to the Committee on Commerce.

January 9, 1978

The following appointment to the Cable Communications Board is hereby respectfully submitted to the Senate for confirmation as required by law:

Dr. Jennis Bapst, 404 Highland Drive, Hibbing, St. Louis County, has been appointed by me, effective November 21, 1977, for a term expiring the first Monday in January, 1982.

Referred to the Committee on Commerce.

Sincerely,
Rudy Perpich, Governor

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Vega introduced—

S. F. No. 1568: A bill for an act relating to the Minnesota energy agency; requiring energy suppliers to file annual average unit price; prohibiting price increases for elderly consumers; providing for indemnification of revenues lost by reason of the elderly exemption; amending Minnesota Statutes 1976, Section 116H.10, by adding a subdivision.

Referred to the Committee on Commerce.

Mr. Wegener introduced—

S. F. No. 1569: A bill for an act relating to taxation; payments in lieu of taxes on certain tax exempt land; providing for state reimbursement of taxing districts for tax reductions on Title II,

farmers home administration, and class 3cc property; appropriating funds; amending Minnesota Statutes 1976, Sections 273.13, Subdivision 17b; 275.51, Subdivision 3d, as added; 276.04, as amended; and Chapter 273, by adding a section.

Referred to the Committee on Taxes and Tax Laws.

Mr. Wegener introduced—

S. F. No. 1570: A bill for an act relating to game and fish; changing state payments to local units of government for certain land uses; amending Minnesota Statutes 1976, Section 97.49, Subdivision 3.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Chmielewski, Wegener and Penny introduced—

S. F. No. 1571: A bill for an act relating to highway traffic regulations; requiring motorcycle helmets; amending Minnesota Statutes 1976, Section 169.974, Subdivisions 2, as amended and 4, as amended; repealing Laws 1977, Chapter 17, Sections 3 and 5.

Referred to the Committee on Transportation.

Mr. Anderson introduced—

S. F. No. 1572: A bill for an act relating to Independent School District No. 11 (Anoka-Hennepin); authorizing the state demographer to certify an estimate of the population of Independent School District No. 11 for purposes of computing the district's community education aid and levy limitation.

Referred to the Committee on Education.

Messrs. Hughes, Stumpf and Ueland, A. introduced—

S. F. No. 1573: A bill for an act relating to education; higher education coordinating board; private post-secondary institutions; providing certain exemptions and restrictions on the use of records in connection with registration of private post-secondary institutions; amending Minnesota Statutes 1976, Sections 136A.64 and 136A.65; and Chapter 136A, by adding a section.

Referred to the Committee on Education.

Messrs. Johnson, Coleman and Keefe, S. introduced—

S. F. No. 1574: A bill for an act relating to the Metropolitan airport; designating the Hubert H. Humphrey International Airport; amending Minnesota Statutes 1976, Section 473.608, Subdivisions 19 and 20.

Referred to the Committee on Governmental Operations.

Mr. Ueland, A. introduced—

S. F. No. 1575: A bill for an act relating to Blue Earth county; authorizing the county of Blue Earth to contract for the completion of the improvement of county ditch No. 27; setting limits for the expenditure of money for the improvement thereof; providing for the financing thereof; amending Laws 1975, Chapter 249, Section 1, Subdivision 1, as amended; and Section 2, as amended.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Ashbach introduced—

S. F. No. 1576: A bill for an act relating to taxation; inheritance tax; exempting federal survivor benefit plan benefits from taxation; amending Minnesota Statutes 1976, Section 291.05.

Referred to the Committee on Taxes and Tax Laws.

Mr. Vega introduced—

S. F. No. 1577: A bill for an act relating to the department of veterans affairs; establishing a nursing home for veterans in Hastings.

Referred to the Committee on General Legislation and Veterans Affairs. Mr. Lewis questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Sillers, Mrs. Brataas, Messrs. Bernhagen, Ashbach and Sieloff introduced—

S. F. No. 1578: A bill for an act relating to taxation; income tax; exempting certain benefits of private pensions from taxation; amending Minnesota Statutes 1976, Section 290.08, by adding a subdivision; and Minnesota Statutes, 1977 Supplement, Section 290.01, Subdivision 20.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Frederick, Sillers, Bernhagen and Ashbach introduced—

S. F. No. 1579: A bill for an act relating to taxation; income taxes; excluding specified amounts of public pensions from gross income; amending Minnesota Statutes, 1977 Supplement, Section 290.08, Subdivision 6.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Frederick; Sillers; Ueland, A. and Ashbach introduced—

S. F. No. 1580: A bill for an act relating to taxation; setting

income tax rates for individuals, estates and trusts; amending Minnesota Statutes, 1977 Supplement, Section 290.06, Subdivision 2c.

Referred to the Committee on Taxes and Tax Laws.

Mr. McCutcheon introduced—

S. F. No. 1581: A bill for an act relating to taxation; clarifying the exclusion from gross income allowed for public pensions; amending Minnesota Statutes, 1977 Supplement, Section 290.08, Subdivision 6.

Referred to the Committee on Taxes and Tax Laws.

Mr. McCutcheon introduced—

S. F. No. 1582: A bill for an act relating to taxation; clarifying the exclusion from gross income allowed for public pensions; amending Minnesota Statutes, 1977 Supplement, Section 290.08, Subdivision 6.

Referred to the Committee on Taxes and Tax Laws.

Mr. Peterson introduced—

S. F. No. 1583: A bill for an act relating to taxation; excluding various government pensions from income tax; limiting the exclusion; amending Minnesota Statutes, 1977 Supplement, Section 290.08, Subdivision 6.

Referred to the Committee on Taxes and Tax Laws.

Mr. Peterson introduced—

S. F. No. 1584: A bill for an act relating to taxation; excluding certain pension benefits from income taxation; setting limits on the exclusion; amending Minnesota Statutes, 1977 Supplement, Section 290.08, Subdivision 6.

Referred to the Committee on Taxes and Tax Laws.

Mr. Knutson introduced—

S. F. No. 1585: A bill for an act relating to taxation; property tax; changing date for county treasurer to make list of certain unpaid taxes on class 2a property; amending Minnesota Statutes 1976, Section 274.19, Subdivision 3.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Tennessen and Davies introduced—

S. F. No. 1586: A bill for an act relating to courts; judges of

the district court; setting the number of judges for the second and fourth judicial districts; amending Minnesota Statutes, 1977 Supplement, Section 2.722, Subdivision 1.

Referred to the Committee on Judiciary.

Mr. Sikorski introduced—

S. F. No. 1587: A bill for an act relating to hospitalization and commitment; requiring committing courts to establish result oriented evaluation programs for committed persons; appointment of counsel guardians for committed persons; establishing a central agency within the department of public welfare which shall develop a program of statistical analysis relating to treatment of committed persons.

Referred to the Committee on Judiciary.

Messrs. Vega and Keefe, S. introduced—

S. F. No. 1588: A bill for an act relating to minimum wage; providing a higher minimum wage; amending Minnesota Statutes, 1977 Supplement, Section 177.24, Subdivision 1.

Referred to the Committee on Employment.

Mr. Frederick introduced—

S. F. No. 1589: A bill for an act relating to the state; authorizing the sale of certain state lands to, and the development of that land for industrial purposes or purposes which the city deems compatible with adjacent land by, the city of Owatonna; amending Laws 1965, Chapter 216, Section 2.

Referred to the Committee on Local Government.

Mr. Ueland, A. introduced—

S. F. No. 1590: A bill for an act relating to retirement; definition of teacher; exemptions; amending Minnesota Statutes, 1977 Supplement, Section 354.05, Subdivision 2.

Referred to the Committee on Governmental Operations.

Messrs. Olson, Vega, Engler, Luther and Knoll introduced—

S. F. No. 1591: A bill for an act relating to motor vehicles; concerning the repair of motor vehicles; regarding storage fees.

Referred to the Committee on Commerce.

Mr. Sikorski introduced—

S. F. No. 1592: A bill for an act relating to taxation; property

tax; including certain municipal youth service bureau expenses in definition of special levies; amending Minnesota Statutes, 1977 Supplement, Section 275.50, Subdivision 5.

Referred to the Committee on Taxes and Tax Laws.

Mr. Benedict introduced—

S. F. No. 1593: A bill for an act relating to taxation; authorizing the establishment of individual housing accounts; providing that contributions to an account which are used exclusively in connection with the purchase of a first principal residence are deductible; providing tax penalties; amending Minnesota Statutes 1976, Section 290.09, by adding a subdivision.

Referred to the Committee on Energy and Housing.

Mr. Benedict introduced—

S. F. No. 1594: A bill for an act relating to education; pupils; providing for a universal school breakfast program in each district.

Referred to the Committee on Education.

Messrs. Benedict, Gunderson and Dieterich introduced—

S. F. No. 1595: A bill for an act relating to state buildings; concerning the handicapped; requiring state buildings and situses for state meetings to be accessible to the handicapped.

Referred to the Committee on Governmental Operations.

Messrs. Benedict, Gunderson and Dieterich introduced—

S. F. No. 1596: A bill for an act relating to buildings; access to handicapped; international wheelchair symbol; adopting uniform colors; amending Minnesota Statutes 1976, Section 299G.12, Subdivision 2.

Referred to the Committee on Governmental Operations.

Mr. Vega introduced—

S. F. No. 1597: A bill for an act relating to the operation of state government; granting certain rights to Hastings state hospital employees.

Referred to the Committee on Governmental Operations.

Mr. McCutcheon introduced—

S. F. No. 1598: A bill for an act relating to taxation; reducing income tax rates imposed on middle income brackets; amending Minnesota Statutes, 1977 Supplement, Section 290.06, Subdivision 2c.

Referred to the Committee on Taxes and Tax Laws.

Mr. Sikorski introduced—

S. F. No. 1599: A bill for an act relating to nursing homes; medical assistance; excepting real property taxes from rate limitations; amending Minnesota Statutes, 1977 Supplement, Section 256B.47, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws. Mr. Sikorski questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Messrs. Schaaf, Stumpf, McCutcheon, Ogdahl and Stokowski introduced—

S. F. No. 1600: A bill for an act relating to data processing by public bodies; its regulation and control; establishing the Minnesota public data processing board; prescribing its powers and duties; appropriating money; amending Minnesota Statutes 1976, Sections 16.94 and 16.95; repealing Minnesota Statutes 1976, Sections 16.90, Subdivisions 1, 2 and 4; 16.91; and 16.911, Subdivision 2.

Referred to the Committee on Governmental Operations.

Messrs. Stumpf, McCutcheon, Schaaf, Ogdahl and Stokowski introduced—

S. F. No. 1601: A bill for an act relating to education; data processing; establishing the Minnesota educational computing consortium as a state agency; prescribing powers and duties therefor; repealing Minnesota Statutes 1976, Section 16.93.

Referred to the Committee on Education.

Mr. Sikorski introduced—

S. F. No. 1602: A bill for an act relating to nonprofit corporations; concerning corporations for dependent children; regarding reimbursement for adoption services expenses; amending Minnesota Statutes 1976, Section 317.65, Subdivision 7.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Sikorski introduced—

S. F. No. 1603: A bill for an act relating to authorizing Washington county, the city of Stillwater, and the town of Stillwater to jointly exercise planning and land use control powers; applying the authorization retroactively.

Referred to the Committee on Local Government.

Messrs. Davies, Laufenburger, Dieterich, Pillsbury and Gunderson introduced—

S. F. No. 1604: A bill for an act relating to no-fault insurance;

providing for priority of coverages among policies covering high risk drivers; amending Minnesota Statutes 1976, Section 65B.47, Subdivision 1; and Chapter 65B, by adding a section.

Referred to the Committee on Commerce.

Messrs. Davies, Dieterich, Pillsbury and Gunderson introduced—

S. F. No. 1605: A bill for an act relating to no-fault automobile insurance; authorizing certain refunds where high risk drivers are related to or reside in the household of the named insured; amending Minnesota Statutes 1976, Section 65B.70, by adding a subdivision.

Referred to the Committee on Commerce.

Messrs. Davies, Laufenburger, Gunderson and Ashbach introduced—

S. F. No. 1606: A bill for an act relating to no-fault automobile insurance; eliminating medical expense as a basis for recovering damages for non-economic detriment; amending Minnesota Statutes 1976, Section 65B.51, Subdivision 3.

Referred to the Committee on Commerce.

Messrs. Davies; Keefe, S.; Laufenburger; Frederick and Mrs. Staples introduced—

S. F. No. 1607: A bill for an act relating to occupational safety and health; children under 16 not to be employed in occupations or places potentially injurious; amending Minnesota Statutes 1976, Section 182.09.

Referred to the Committee on Employment.

Messrs. Tennesen, Coleman, Davies and Dunn introduced—

S. F. No. 1608: A bill for an act relating to the legislature; providing that the organization of the legislature at the regular session continue during a special session; amending Minnesota Statutes 1976, Chapter 3, by adding a section.

Referred to the Committee on Rules and Administration.

Messrs. Davies; Keefe, S.; Tennesen and Ueland, A. introduced—

S. F. No. 1609: A bill for an act relating to elections; regulating procedures for ballot challenges and election contests; amending Minnesota Statutes 1976, Sections 204A.32, Subdivision 4; 209.02, Subdivisions 4 and 4a; and 209.06, Subdivision 2.

Referred to the Committee on Elections.

Messrs. Davies; Keefe, S.; Coleman and Ueland, A. introduced—

S. F. No. 1610: A bill for an act relating to elections; providing for the official identification of ballots; amending Minnesota Statutes 1976, Sections 123.32, Subdivision 5; 203A.13; and 203A.15.

Referred to the Committee on Elections.

Messrs. Davies, Merriam, Dieterich and Sillers introduced—

S. F. No. 1611: A bill for an act relating to corporations; requiring domestic corporations to file an active status report with the secretary of state; requiring the secretary of state to perform certain duties; providing that corporations that fail to file reports shall lose exclusive right to their names; permitting corporations and others to utilize the names of corporations which have lost exclusive right to their names; establishing filing fees; appropriating money; amending Minnesota Statutes 1976, Chapter 301, by adding a section; and Section 301.05, Subdivision 2.

Referred to the Committee on Judiciary.

Messrs. Davies, Hanson and Keefe, J. introduced—

S. F. No. 1612: A bill for an act relating to trusts; powers of trustee; permitting investment of trust assets in certain life insurance contracts; amending Minnesota Statutes 1976, Section 501.66, Subdivision 6.

Referred to the Committee on Judiciary.

Messrs. Davies, Merriam, Tennessen, Hanson and Sillers introduced—

S. F. No. 1613: A bill for an act relating to courts; judges; removal due to mental or physical incapacity; amending Minnesota Statutes 1976, Section 490.16, Subdivision 5; repealing Minnesota Statutes 1976, Sections 490.04; 490.05; 490.06; 490.07; 490.08; and 490.09.

Referred to the Committee on Judiciary.

Messrs. Davies, Sillers, Tennessen, Hanson and Lessard introduced—

S. F. No. 1614: A bill for an act relating to courts; board on judicial standards; providing for appointment of an executive secretary by the board; amending Minnesota Statutes, 1977 Supplement, Section 490.15, Subdivision 1.

Referred to the Committee on Judiciary.

Messrs. Davies, Merriam, Hanson and Sillers introduced—

S. F. No. 1615: A bill for an act proposing an amendment

to the Minnesota Constitution, Article VI, Sections 2 and 13; removing references to subordinate judicial branch personnel from the constitution.

Referred to the Committee on Judiciary.

Messrs. Davies, Merriam, Hanson and Sillers introduced—

S. F. No. 1616: A bill for an act relating to probate; enacting the Uniform International Wills Act; amending Minnesota Statutes 1976; Chapter 524, by adding sections.

Referred to the Committee on Judiciary.

Messrs. Davies, Hanson and Sillers introduced—

S. F. No. 1617: A bill for an act relating to evidence; eliminating the presumption of due care in negligence actions; repealing Minnesota Statutes 1976, Section 602.04.

Referred to the Committee on Judiciary.

Mr. Keefe, S. introduced—

S. F. No. 1618: A bill for an act relating to fire and related insurance; permitting cancellation of fire and related insurance policies only under certain circumstances; requiring notice of reason for cancellation of nonrenewal; amending Minnesota Statutes 1976, Section 65A.01, Subdivision 3.

Referred to the Committee on Commerce.

Mr. Sieloff and Mrs. Knaak introduced—

S. F. No. 1619: A bill for an act relating to taxation; income tax; clarifying apportionment of charitable contribution deduction for certain taxpayers; amending Minnesota Statutes, 1977 Supplement, Section 290.21, Subdivision 3.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Luther and Dieterich introduced—

S. F. No. 1620: A bill for an act relating to crimes concerning communications; prohibiting automatically placed telephone calls; providing a penalty.

Referred to the Committee on Judiciary.

Messrs. Anderson, Borden, Humphrey, Sillers and McCutcheon introduced—

S. F. No. 1621: A bill for an act relating to energy; exempting certain solar energy systems from property taxation; providing

a credit against income tax for the cost of certain solar energy systems; amending Minnesota Statutes 1976, Sections 272.02, Subdivision 1; and 290.06, by adding a subdivision.

Referred to the Committee on Energy and Housing.

REPORTS OF COMMITTEES

Mr. Coleman from the Committee on Rules and Administration, makes the following report: That the portion of Rule 57 of the Permanent Rules of the Senate that relate to standing committees and their complement be amended to read as follows:

STANDING COMMITTEES

57. The standing committees of the Senate and their complement are as follows:

- Agriculture and Natural Resources—19
- Commerce—15
- Education—14 15
- Elections—11
- Employment—14
- Energy and Housing—14
- Finance—26
- General Legislation and Veterans Affairs—14
- Governmental Operations—20 21
- Health, Welfare and Corrections—14
- Judiciary—17 16
- Local Government—12
- Rules and Administration—21
- Taxes and Tax Laws—21 20
- Transportation—16

Mr. Coleman moved the adoption of the committee report. The motion prevailed. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, makes the following report: That the Permanent Rules of the Senate be amended as follows:

Strike all of Rule 62 and insert:

"62. The Senate shall employ for the 1978 Session of the 70th Legislature, the following:

NUMBER OF POSITIONS	POSITION	SALARY PER DAY
2	Administrative Assistant I	1 @ \$49.32
		1 @ \$60.27
1	Administrative Assistant II	\$75.34
3	Administrative Secretary	\$38.82
1	Assistant Captain of Pages	\$25.20
1	Assistant Executive Secretary	\$41.10
5	Assistant Public Information Officer	1 @ \$30.00
		1 @ \$32.00
		1 @ \$33.81
		1 @ \$34.25
		1 @ \$35.62
2	Assistant Sergeant at Arms	\$27.43
1	Captain of Pages	\$28.93
1	Chaplain (Several to serve during Session)	\$25.00
1	Chief Indexer	\$52.06
10	Clerk I	8 @ \$27.06
		2 @ \$28.67
13	Clerk Typist I	1 @ \$26.82
		4 @ \$28.42
8	Clerk Typist II	3 @ \$28.49
		4 @ \$29.52
1	Clerk Typist III	\$31.28
15	Committee Administrative Assistant	1 @ \$36.99
		7 @ \$45.21
		7 @ \$49.32
16	Committee Clerk	6 @ \$26.82
		5 @ \$28.42
		3 @ \$29.84
15	Committee Secretary	7 @ \$36.99
		8 @ \$38.82
1	Duplicating Supervisor	\$30.95
1	Engrossing Clerk	\$38.36
1	Engrossing Secretary	\$52.06
2	Executive Secretary	\$46.47
1	First Assistant Secretary of the Senate	\$82.05
3	Fiscal Services Aide	1 @ \$38.36
		1 @ \$39.73
1	Fiscal Services Supervisor	\$52.06
3	Indexer	2 @ \$30.00
		1 @ \$34.25
5	Legislative Assistant I	1 @ \$29.84
		1 @ \$33.70
		2 @ \$39.73
		1 @ \$42.47
3	Legislative Assistant II	1 @ \$49.32
		1 @ \$52.06
4	Legislative Clerk I	\$28.30
7	Legislative Clerk II	2 @ \$29.92
		2 @ \$31.28
		1 @ \$32.44
2	Legislative Clerk III	\$32.54
5	Legislative Fiscal Analyst	2 @ \$50.59

NUMBER OF POSITIONS	POSITION	SALARY PER DAY
		1 @ \$81.47
		1 @ \$82.35
		1 @ \$83.57
1	Minority Secretary of the Senate	\$81.79
35	Page	17 @ \$20.00
		6 @ \$22.00
1	Public Information Officer	\$49.32
16	Researcher	2 @ \$35.62
		2 @ \$36.99
		2 @ \$38.36
		1 @ \$39.73
		2 @ \$41.10
		1 @ \$42.47
		1 @ \$50.09
		1 @ \$52.06
		1 @ \$56.21
		1 @ \$56.71
		1 @ \$65.75
1	Second Assistant Secretary/ Personnel Officer	\$65.75
25	Secretary	5 @ \$32.54
		5 @ \$34.33
		12 @ \$36.31
1	Secretary to the Majority Leader	\$46.47
1	Secretary to the Minority Leader	\$43.75
1	Secretary of the Senate	\$112.33
13	Senate Counsel	2 @ \$47.95
		1 @ \$55.48
		1 @ \$58.22
		1 @ \$63.70
		1 @ \$64.39
		2 @ \$65.75
		1 @ \$66.44
		1 @ \$73.97
		1 @ \$76.71
		1 @ \$83.29
11	Senate Researcher	2 @ \$41.10
		1 @ \$45.92
		1 @ \$47.70
		1 @ \$49.57
		1 @ \$52.03
		1 @ \$57.81
		4 @ \$67.34
1	Senate Research Assistant Director	\$76.99
1	Senate Research Director	\$101.37
17	Sergeant	2 @ \$20.00
		10 @ \$22.00
1	Sergeant at Arms	\$37.26
1	Steno Pool Supervisor	\$38.82
27	Stenographer I	12 @ \$28.49
		6 @ \$29.65

NUMBER OF POSITIONS	POSITION	SALARY PER DAY
22	Stenographer II	1 @ \$30.28
		7 @ \$33.81
1	Third Assistant Secretary of the Senate	\$41.10

Mr. Coleman moved the adoption of the committee report. The motion prevailed. Report adopted.

MOTIONS AND RESOLUTIONS

Mr. Knoll moved that S. F. No. 1446 be withdrawn from the Committee on Health, Welfare and Corrections and re-referred to the Committee on Energy and Housing. The motion prevailed.

Mr. Schmitz moved that the name of Mr. Sikorski be added as co-author to S. F. No. 1434. The motion prevailed.

Mr. McCutcheon moved that S. F. No. 65 be taken from the table. The motion prevailed.

Mr. McCutcheon moved that the Senate do not concur in the amendments by the House to S. F. No. 65, 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. Coleman introduced—

Senate Resolution No. 23: A Senate resolution relating to expenses of Senate interns.

BE IT RESOLVED, by the Senate:

That for the 1978 session of the 70th Legislature, each member of the Senate is entitled to be reimbursed for the cost of meals and transportation furnished by him to any volunteer interns assisting with his work, up to a maximum of \$12 during each week the Legislature is in session.

Requests for reimbursement shall be submitted to the Secretary of the Senate monthly on forms provided for this purpose and shall include a certification by the member that the amounts for which reimbursement is sought have been paid to his interns.

The Secretary of the Senate shall prepare and issue warrants for payment of intern expenses from the Senate Legislative Expense Fund.

Mr. Coleman moved the adoption of the foregoing resolution.

The question was taken on the adoption of the resolution.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Olson	Sillers
Ashbach	Gearty	Laufenburger	Penny	Solon
Bang	Gunderson	Lessard	Perpich	Spear
Benedict	Hanson	Lewis	Peterson	Staples
Bernhagen	Hughes	Luther	Pillsbury	Stokowski
Borden	Humphrey	McCutcheon	Purfeerst	Strand
Brataas	Jensen	Menning	Renneke	Stumpf
Chmielewski	Johnson	Merriam	Schaaf	Tennessen
Coleman	Keefe, J.	Moe	Schmitz	Ueland, A.
Davies	Keefe, S.	Nelson	Schrom	Ulland, J.
Dieterich	Kirchner	Nichols	Setzepfandt	Wegener
Dunn	Knaak	Ogdahl	Sieloff	Willet
Engler	Knoll	Olhoft	Sikorski	

The motion prevailed. So the resolution was adopted.

Mr. Coleman introduced—

Senate Resolution No. 24: A Senate resolution providing for payment of postage for members of the Senate, 1978 Session of the 70th Legislature.

BE IT RESOLVED, by the Senate:

That the Secretary of the Senate is authorized to purchase postage to furnish each member of the Senate 3,000 stamps, and that each member named as chairman of a standing committee in the Senate resolution designating committee assignments, be furnished with an additional 1,000 stamps for the necessary business of such committee; and

That an additional postage allowance of 1,000 stamps is authorized for the Minority Leader of the Minnesota State Senate, 1978 Session, Mr. Ashbach; for the Assistant Majority Leader, 1978 Session, Mr. Borden; and for the Assistant Minority Leaders of the Minnesota State Senate, 1978 Session, Messrs. Dunn, Jensen and Frederick.

Each member of the Senate shall receipt to the Secretary of the Senate for postage so received.

Mr. Coleman moved the adoption of the foregoing resolution.

The question was taken on the adoption of the resolution.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Olson	Sillers
Ashbach	Gearty	Laufenburger	Penny	Solon
Bang	Gunderson	Lessard	Perpich	Spear
Benedict	Hanson	Lewis	Peterson	Staples
Bernhagen	Hughes	Luther	Pillsbury	Stokowski
Borden	Humphrey	McCutcheon	Purfeerst	Strand
Brataas	Jensen	Menning	Renneke	Stumpf
Chmielewski	Johnson	Merriam	Schaaf	Tennessen
Coleman	Keefe, J.	Moe	Schmitz	Ueland, A.
Davies	Keefe, S.	Nelson	Schrom	Ulland, J.
Dieterich	Kirchner	Nichols	Setzepfandt	Wegener
Dunn	Knaak	Ogdahl	Sieloff	Willet
Engler	Knoll	Olhoft	Sikorski	

The motion prevailed. So the resolution was adopted.

Mr. Coleman moved that Rule 57 of the Permanent Rules be amended in accordance with the report of the Committee on Rules and Administration adopted today. The motion prevailed.

Mr. Coleman introduced—

Senate Resolution No. 25: A Senate resolution providing for Senate Committee Assignments.

BE IT RESOLVED, by the Senate:

That Senate Resolution No. 6 relating to standing committees of the Senate for the 70th Session, Permanent Journal, January 4, 1977, pages 42-45, as amended by the Senate on February 15, 1977, permanent Journal pages 189-190 and March 3, 1977, permanent Journal, page 300, be further amended as follows:

Education (14) 15

Add: Knaak

Employment (14)

Delete Milton as Vice Chairman and designate Staples as Vice Chairman

Add: Nelson

Finance (26)

Delete: Milton

Add: Schaaf

Governmental Operations (29) 21

Add: Knaak

Health, Welfare and Corrections (14)

Delete: Milton

Add: Knaak

Judiciary (17) 16

Delete: Nelson

Taxes and Tax Laws (21) 20

Delete: Schaaf

Mr. Coleman moved the adoption of the foregoing resolution. The motion prevailed.

Mr. Coleman moved that Rule 62 of the Permanent Rules be amended in accordance with the report of the Committee on Rules and Administration adopted today.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Olson	Sillers
Ashbach	Gearty	Laufenburger	Penny	Solon
Bang	Gunderson	Lessard	Perpich	Spear
Benedict	Hanson	Lewis	Peterson	Staples
Bernhagen	Hughes	Luther	Pillsbury	Stokowski
Borden	Humphrey	McCutcheon	Purfeerst	Strand
Brataas	Jensen	Menning	Renneke	Stumpf
Chmielewski	Johnson	Merriam	Schaaf	Tennessee
Coleman	Keefe, J.	Moe	Schmitz	Ueland, A.
Davies	Keefe, S.	Nelson	Schrom	Ulland, J.
Dieterich	Kirchner	Nichols	Setzpfandt	Wegener
Dunn	Knaak	Ogdahl	Sieloff	Willet
Engler	Knoll	Olhoft	Sikorski	

The motion prevailed.

Mr. Coleman introduced—

Senate Resolution No. 26: A Senate resolution appointing personnel to respective positions for the 1978 Session of the Minnesota State Senate at the salaries heretofore established.

BE IT RESOLVED, by the Senate, that the following named persons be and they hereby are appointed for the Session to the respective positions hereinafter stated and at the salaries of the respective positions heretofore established:

POSITION	NAME
Administrative Assistant I	James Greenwalt David Hoium
Administrative Assistant II	John Kaul
Administrative Secretary	Mary Catlin Dolores Schuna Lorraine Hartman
Assistant Captain of Pages	Scott Magnuson
Assistant Executive Secretary	Natalie Kray
Assistant Public Information Officer	Karen Clark Debra Fastner Sara Meyer Mark Nelson Steve Voeller
Assistant Sergeant at Arms	Marvin Raiola
Captain of Pages	Brian Kretsch
Chief Indexer	Ardis Schulz
Clerk I	Wendy Adler John Anderson

POSITION**NAME**

	Douglas Dahl
	Ernst Ferrozzo
	Gary Fritz
	Thomas Kukielka
	Aaron Rivers
	John Stieger
	Helen Stryski
	Randon Walker
Clerk Typist I	Betty Brown
	Helen Donahue
	Teresa Gran
	Sue Hartfiel
	Mary Russell
Clerk Typist II	Joyce Anderson
	Sue Erickson
	Mary Guignon
	Sheryl LaRue
	Elaine Lossie
	Ora Lee Patterson
	Mary Rengel
Clerk Typist III	Lucie Gebhardt
Committee Administrative Assistant	Mark Andrew
	Larry Bye
	James Campbell
	Connie Chamberlain
	Steve Chapman
	Kathleen Corrigan
	Ray Joachim
	Kelvin Johnson
	Lucy Johnson
	Mark Karnowski
	Janet Lund
	Carl Norberg
	Michael Robertson
	Linda Schutz
	Dale Ulrich
Committee Clerk	Colleen Barry
	Joan Godeke
	Douglas Griffith
	Becky Hake
	Janet Hall
	Michelle Herron
	Joel Levenson
	Margaret Lynch
	George Meinz
	Eleanor Nash
	Zora Radosevich
	Holly Slocum
	Mary Lyn Uhl
	Debbie Zetah

POSITION	NAME
Committee Secretary	Sandi Brown Joyce Bukosky Josephine Dario Bonnie Featherstone Martha Gordon Margaret Kormendy Laura Lindorfer Helen Lyons Phyllis Meryhew Mary Mogush Dagny Swanson LaVerne Swanson Ardella Tischler Sherry Tyler Sandra Wendt
Duplicating Supervisor	David Vail
Executive Secretary	Sandra Burrill Dorothy Jung
Fiscal Services Aide	LaVonne Gangl Mary Thompson
Fiscal Services Supervisor	Joyce Kleinschmidt
Indexer	Dan Gjelten Christine Rudy Jean Schmidt
Legislative Assistant I	Patricia Bell Todd Caldis Steven Goff Cathie Hughes Gene Nelson
Legislative Assistant II	Connie Dabelow Diane Hendrickson
Legislative Clerk II	Mary Bothwell Charles Fastner Allen Finnegan Sandra Greeley Brad Lundell
Legislative Fiscal Analyst	Patrick Born David Buelow Earl Evenson Christine Merritt Harold T. Miller
Minority Secretary of the Senate	George G. Goodwin
Page	Andrew Aho Sharon Arndts David Barker

POSITION

NAME

Onesimus Boykin
 Valyr Bye
 Jerry Creedon
 Donna Evans
 James Hill
 Marlene Johnson
 Terry Korman
 Jennifer Lemenowsky
 Margit Lund
 Catherine McLaughlin
 Jerome Murphy
 William Murray
 Brenda Nelson
 Kathleen O'Neill
 Thomas Sanford
 Mary Schmiedeberg
 Thomas Sears
 Wally Stricker
 Marilyn Thomsen
 Edward Truskolaski
 Diane Vosick

Public Information Officer

David Peterson

Researcher

Denise Anderson
 Gerry Anderson
 Gary Bastian
 Frank Fly
 Marcia Greenfield
 Patrick Hirogoyen
 Janet Kampf
 David Karpinski
 Terri Keefe
 Helen Leslie
 Steve Lindgren
 John Meusey
 Sherri Lee Mortensen
 Mary Jane O'Keefe
 Mari Okoronkwo

Secretary

Bettye Bates
 JoAnne Blockey
 Betsy Chesebrough
 Rose Cockburn
 Lois DeLong
 Eleanor Dierckins
 Barbara Gabatino
 Joanne Garcia
 Emma Holm
 Carol Huppert
 Bonnie Johnson
 Mary Kennedy
 Marge McShea

POSITION	NAME
	Barbara Martin
	Nancy Mathisrud
	Ruth Peterson
	Nancy Pirkel
	Dorothy Queener
	Patti Ryan
	Joanne Stassen
	Paulette Will
Secretary to the Majority Leader	Shirley Cardwell
Secretary to the Minority Leader	Romayne Houle
Senate Counsel	Jay Ben Anav
	Janel Bush
	Thomas Deans
	James Dinerstein
	Larry Fredrickson
	Dianne Heins
	Gary Johnson
	Patricia Johnson
	Thomas Triplett
	Peter Wattson
	Alan Williams
	Joanne Zoff
Senate Researcher	Roger Bergerson
	William Boyer
	Gary Botzek
	Carolyn Carlson
	Terri Erickson
	David Giel
	Joyce Krupey
	Laura Miller
	Richard Sevrá
	Dwight Smith
	John Ryan
Senate Research Assistant Director	Robert Lacy
Senate Research Director	William Riemerman
Sergeant	Richard Conway
	Jerome Coughlin
	James Darrell
	Ralph Graham
	Robert Graham
	Otto Haase
	Reginald Harris
	Al Mareck
	Daniel Orsello
	Sam Roiblat
	Gentile Yarusso
	Willard Zell
Steno Pool Supervisor	Mary Turk

POSITION

NAME

Stenographer I

Patricia Amlee
 Barbara Bourman
 Margaret Collins
 Marcia Farinacci
 Elizabeth Fine
 Janice Fleetham
 Gloria Gustafson
 Janet Hanafin
 Marilyn Hauser
 Karen Henning
 Taloa M. Hoiium
 Olga Johnson
 Paula Kessel
 Jean Kustelski
 Sue Larson
 Julie Martin
 Lois Meier
 Peggy Miller
 Patricia Ness
 Pam Nutting
 Beverly Peterson
 Karen Reeck
 Laura Selbitschka
 Dolores Stendahl

Stenographer II

Laurel Carlson
 Virginia Engelhard
 Violet Geer
 Sheila Higby
 Margaret Howe
 Rhoda Parker
 Yvonne Ringgold
 Anne Steffel
 Judy Swanholm
 Dolores Tautges
 Shirley Traxler
 Joyce Van Guilder
 Marion Vogel

Third Assistant Secretary of the
Senate

Patrice Urman

Mr. Coleman moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

Tributes to the late United States Senator Hubert H. Humphrey were offered by Majority Leader Nicholas D. Coleman and Minority Leader Robert O. Ashbach.

Senator Hubert H. Humphrey, III expressed the gratitude of his family to the Senate and to the citizens of Minnesota.

Mr. Coleman moved that the Senate do now adjourn until 10:00 o'clock a. m., Thursday, January 19, 1978. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SIXTY-THIRD DAY

St. Paul, Minnesota, Thursday, January 19, 1978

The Senate met at 10:00 o'clock a.m. and was called to order by the President.

CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate. The following Senators answered to their names:

Anderson	Frederick	Knoll	Penny	Staples
Ashbach	Gearty	Knutson	Schaaf	Strand
Bang	Hughes	Lewis	Schmitz	Stumpf
Bernhagen	Humphrey	Luther	Schrom	Ueland, A.
Brataas	Jensen	Menning	Sieloff	Wegener
Chenoweth	Johnson	Moe	Sikorski	
Coleman	Keefe, S.	Nelson	Sillers	
Davies	Kirchner	Ogdahl	Solon	
Dieterich	Knaak	Olson	Spear	

The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Dave S. Schneider.

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

Anderson	Engler	Knoll	Olson	Sillers
Ashbach	Frederick	Knutson	Penny	Solon
Bang	Gearty	Laufenburger	Peterson	Spear
Bernhagen	Gunderson	Lessard	Pillsbury	Staples
Borden	Hughes	Lewis	Purfeerst	Strand
Brataas	Humphrey	Luther	Renneke	Ueland, A.
Chenoweth	Jensen	Menning	Schaaf	Ulland, J.
Chmielewski	Johnson	Merriam	Schmitz	Vega
Coleman	Keefe, J.	Moe	Schrom	Wegener
Davies	Keefe, S.	Nelson	Setzpfandt	Willet
Dieterich	Kirchner	Ogdahl	Sieloff	
Dunn	Knaak	Olhoft	Sikorski	

The President declared a quorum present.

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

MEMBERS EXCUSED

Messrs. Hanson, Kleinbaum, Perpich and Stokowski were excused from the Session of today.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received and referred to the committees indicated:

January 9, 1978

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

The following appointment to the Minnesota Pollution Control Agency is hereby respectfully submitted to the Senate for confirmation as required by law:

Burton Genis, 5941-29th Place North, Crystal, Hennepin County, has been appointed by me, effective January 2, 1978, for a term expiring the first Monday in January, 1982.

Referred to the Committee on Agriculture and Natural Resources.

January 10, 1978

The following appointment to the Public Service Commission is hereby respectfully submitted to the Senate for confirmation as required by law:

Ruth Cain, 3548 Holmes Avenue South, Minneapolis, Hennepin County, has been appointed by me, effective January 10, 1978, for a term expiring the first Monday in January, 1979.

Referred to the Committee on Commerce.

January 10, 1978

The following appointment to the State Designer Selection Board is hereby respectfully submitted to the Senate for confirmation as required by law:

David R. Conkey, 4360 Brookside Court, #205, Edina, Hennepin County, has been appointed by me, effective January 3, 1978, for a term expiring the first Monday in January, 1981.

Referred to the Committee on Governmental Operations.

January 10, 1978

The following appointment as Director of the Consumer Services Division of the Department of Commerce is hereby respectfully submitted to the Senate for confirmation as required by law:

Tobey Lapakko, 1671 South Victoria Road, St. Paul, Ramsey County, has been appointed by me, effective February 1, 1978, for a term expiring the first Monday in January, 1979.

Referred to the Committee on Commerce.

January 11, 1978

The following appointment to the Cable Communications Board is hereby respectfully submitted to the Senate for confirmation as required by law:

Eugene Schroeder, 2757 Upland Court, Plymouth, Hennepin County, has been appointed by me, effective January 10, 1978, for a term expiring the first Monday in January, 1979.

Referred to the Committee on Commerce.

January 11, 1978

The following appointment to the State University Board is hereby respectfully submitted to the Senate for confirmation as required by law:

Marian Keith, R.R. 2, Rochester, Olmsted County, has been appointed by me, effective January 3, 1978, for a term expiring the first Monday in January, 1979.

Referred to the Committee on Education.

January 17, 1978

The following appointment as Commissioner of the Department of Economic Security is hereby respectfully submitted to the Senate for confirmation as required by law:

Michael O'Donnell, 201 Maryknoll Drive, Stillwater, Washington County, has been appointed by me, effective July 29, 1977, for a term expiring the first Monday in January, 1979.

Referred to the Committee on Employment.

Sincerely,
Rudy Perpich, Governor

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Peterson, Setzepfandt, Hanson, Strand and Willet introduced—

S. F. No. 1622: A bill for an act relating to game and fish; requiring a trout stamp; providing for disposition of the proceeds; appropriating funds; amending Minnesota Statutes 1976, Section 98.46, by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Chmielewski introduced—

S. F. No. 1623: A bill for an act relating to health; ambulance licensing law; providing that certain licenses are valid.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Chmielewski introduced—

S. F. No. 1624: A bill for an act relating to highway traffic regulations; arrest; procedures; notice to appear; authorizing release of certain traffic and motor vehicle law offenders upon written promise to appear in court, and specifying procedures upon non-appearance; providing for the suspension of driving privileges for violation of the written promise to appear; authorizing the commissioner of public safety to enter into reciprocal agreements; amending Minnesota Statutes 1976, Sections 169.91, Subdivisions 1 and 3; 169.92; 171.01, Subdivision 13; and 171.18.

Referred to the Committee on Judiciary.

Mr. Nichols introduced—

S. F. No. 1625: A bill for an act relating to school districts; abolishing certain attendance options for children of persons owning land in more than one district; requiring attendance in the school district of residence; repealing Minnesota Statutes 1976, Section 120.065; and Minnesota Statutes, 1977 Supplement, Section 123.39, Subdivision 5a.

Referred to the Committee on Education.

Mr. Nichols introduced—

S. F. No. 1626: A bill for an act relating to the Lincoln-Pipestone and Rock county rural water systems; providing for the assessment of costs.

Referred to the Committee on Local Government.

Messrs. Vega, Davies, Mrs. Staples and Mr. Tennessen introduced—

S. F. No. 1627: A bill for an act relating to Minnesota Statutes; words and phrases; including Commonwealth of Puerto Rico within the definition of state; amending Minnesota Statutes 1976, Section 645.44, Subdivision 11.

Referred to the Committee on Judiciary.

Messrs. Keefe, S.; Merriam; Stokowski and Frederick introduced—

S. F. No. 1628: A bill for an act relating to taxation; property tax; providing for delay in increased valuation on certain rehabilitation projects.

Referred to the Committee on Energy and Housing.

Messrs. Chmielewski, Schrom, Hughes, Olhoff and Sieloff introduced—

S. F. No. 1629: A bill for an act relating to medical assistance; abortion services; limiting funding; amending Minnesota Statutes 1976, Sections 256B.02, Subdivision 8; 393.07, by adding a subdivision; Chapters 256B, by adding sections; and 261, by adding a section.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Keefe, S.; Strand; Stokowski and Sikorski introduced—

S. F. No. 1630: A bill for an act relating to elections; providing certain safeguards against improper voter registration and casting of absentee ballots; prescribing certain duties for the secretary of state; prescribing penalties; amending Minnesota Statutes 1976, Sections 201.121; 201.15; 201.27; 204A.14, Subdivision 2; 207.06; 207.08; and Chapter 201, by adding a section; Minnesota Statutes, 1977 Supplement, Sections 201.061, Subdivision 3; 201.071, Subdivision 4; 204A.13, Subdivision 2; 204A.175; 207.02; 207.03; and 207.11.

Referred to the Committee on Elections.

Messrs. Penny, Nichols, Merriam, Strand and Chmielewski introduced—

S. F. No. 1631: A bill for an act relating to highway traffic regulations; requiring motorcycle helmets; amending Minnesota Statutes, 1977 Supplement, Section 169.974, Subdivisions 2 and 4; repealing Laws 1977, Chapter 17, Sections 3 and 5.

Referred to the Committee on Transportation.

Mr. Johnson introduced—

S. F. No. 1632: A bill for an act relating to taxation; changing the income tax deduction for trade or business expenses to include cost and upkeep of work clothes; amending Minnesota Statutes 1976, Section 290.09, Subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

Mr. Johnson introduced—

S. F. No. 1633: A bill for an act relating to energy; authorizing the harvesting of firewood on highway and public utility rights of way; amending Minnesota Statutes 1976, Section 160.22, Subdivision 9.

Referred to the Committee on Energy and Housing.

Messrs. Johnson, Solon, Stokowski and Willet introduced—

S. F. No. 1634: A bill for an act relating to taxation; providing an income tax credit for senior citizens who pay residential heat-

ing costs; providing rebate for persons with credit in excess of tax liability; amending Minnesota Statutes 1976, Section 290.06, by adding a subdivision.

Referred to the Committee on Energy and Housing.

Messrs. Johnson and Solon introduced—

S. F. No. 1635: A bill for an act relating to St. Louis county; limiting the manner in which costs to collect a judgment may be defrayed; amending Laws 1961, Chapter 302, Section 3.

Referred to the Committee on Local Government.

Messrs. Solon and Johnson introduced—

S. F. No. 1636: A bill for an act relating to education; school aids; providing for additional aid for school year 1978-1979 for certain isolated districts.

Referred to the Committee on Education.

Mr. Johnson introduced—

S. F. No. 1637: A bill for an act relating to political subdivisions; authorizing loans to acquire town halls; amending Minnesota Statutes, 1977 Supplement, Section 465.73.

Referred to the Committee on Local Government.

Messrs. Johnson, Solon and Willet introduced—

S. F. No. 1638: A bill for an act appropriating funds annually for WATS incoming lines to serve state offices.

Referred to the Committee on Finance. Mr. Chenoweth questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Benedict introduced—

S. F. No. 1639: A bill for an act relating to highways; designating the Hubert H. Humphrey Highway; amending Minnesota Statutes 1976, Section 161.14, Subdivision 13, and by adding a subdivision.

Referred to the Committee on Transportation.

Messrs. Knoll, Lewis, Kirchner, Humphrey and Willet introduced—

S. F. No. 1640: A bill for an act relating to housing; providing for a study of housing needs of the handicapped; appropriating money.

Referred to the Committee on Energy and Housing.

Messrs. Dieterich; Stumpf; Nichols; Ueland, A. and Anderson introduced—

S. F. No. 1641: A bill for an act relating to community colleges; authorizing one additional member for the state board; requiring that one member be a student; amending Minnesota Statutes 1976, Section 136.61, Subdivisions 1 and 1a.

Referred to the Committee on Education.

Mr. Solon introduced—

S. F. No. 1642: A bill for an act relating to agriculture; grain inspection; weighing, sampling and analysis; amending Minnesota Statutes 1976, Sections 17B.03, Subdivision 1; 17B.04, Subdivision 1; and 17B.13.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Sikorski introduced—

S. F. No. 1643: A bill for an act relating to agriculture; corn detasseling employees; providing minimum labor standards; amending Minnesota Statutes 1976, Section 177.23, Subdivision 7; and Chapter 181, by adding sections.

Referred to the Committee on Employment.

Mr. Sikorski introduced—

S. F. No. 1644: A bill for an act relating to hazardous wastes; placing certain restrictions on site selection for disposal facilities in the metropolitan area; amending Minnesota Statutes 1976, Section 473.516.

Referred to the Committee on Governmental Operations.

Messrs. Sikorski; Ulland, J.; Anderson; Moe and Lessard introduced—

S. F. No. 1645: A bill for an act relating to veterans; providing tuition assistance; providing a study of academic credit for military training and experience; appropriating money; amending Minnesota Statutes 1976; Section 197.75, Subdivisions 1 and 2.

Referred to the Committee on General Legislation and Veterans Affairs.

Mr. Chmielewski introduced—

S. F. No. 1646: A bill for an act relating to human rights; providing for selection of deputy commissioners of the department of human rights; amending Minnesota Statutes 1976, Section 363.04, Subdivision 2.

Referred to the Committee on Governmental Operations.

REPORTS OF COMMITTEES

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred the following appointment as reported in the Journal for January 17, 1978:

DEPARTMENT OF NATURAL RESOURCES**COMMISSIONER**

William Nye

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

Mr. Willet moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred the following appointment as reported in the Journal for January 17, 1978:

DEPARTMENT OF AGRICULTURE**COMMISSIONER**

Bill Walker

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

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred the following appointments as reported in the Journal for May 2, 1977:

MINNESOTA ENVIRONMENTAL EDUCATION BOARD

Thomas A. Powell

Merrill Fellger

Dr. Paul O. Walker

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

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred the following appointment as reported in the Journal for January 17, 1978:

MINNESOTA ENVIRONMENTAL EDUCATION BOARD

Julia Copeland

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

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

APPOINTMENTS

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

S. F. No. 65: Messrs. McCutcheon; Davies; Lewis; Keefe, J., and Sikorski.

Mr. Coleman moved that the foregoing appointments be approved. The motion prevailed.

MOTIONS AND RESOLUTIONS

Mr. Nelson moved that his name be stricken as co-author to S. F. No. 1527. The motion prevailed.

Mr. Vega moved that the name of Mr. Sikorski be added as co-author to S. F. No. 1568. The motion prevailed.

Mr. Johnson moved that the names of Messrs. Solon and Sikorski be added as co-authors to S. F. No. 1574. The motion prevailed.

Mr. Vega moved that the name of Mr. Sikorski be added as co-author to S. F. No. 1577. The motion prevailed.

Mr. McCutcheon moved that the names of Messrs. Setzepfandt, Johnson and Nelson be added as co-authors to S. F. No. 1581. The motion prevailed.

Mr. McCutcheon moved that the names of Messrs. Setzepfandt, Johnson and Nelson be added as co-authors to S. F. No. 1582. The motion prevailed.

Mr. Ueland, A. moved that the names of Messrs. Stokowski and Renneke be added as co-authors to S. F. No. 1590. The motion prevailed.

Mr. Sikorski moved that the name of Mr. Dieterich be added as co-author to S. F. No. 1592. The motion prevailed.

Mr. Benedict moved that the name of Mr. Sikorski be added as co-author to S. F. No. 1593. The motion prevailed.

Mr. Benedict moved that the names of Messrs. Humphrey; Sikorski and Ulland, J. be added as co-authors to S. F. No. 1594. The motion prevailed.

Mr. Benedict moved that the name of Mr. Sikorski be added as co-author to S. F. No. 1595. The motion prevailed.

Mr. Benedict moved that the name of Mr. Sikorski be added as co-author to S. F. No. 1596. The motion prevailed.

Mr. McCutcheon moved that the names of Messrs. Solon and Sikorski be added as co-authors to S. F. No. 1598. The motion prevailed.

Mr. Merriam moved that his name be stricken as chief author and Mr. Schaaf be added as chief author to S. F. No. 304. The motion prevailed.

Mr. Jensen moved that his name be stricken as co-author to S. F. No. 1186. The motion prevailed.

Mr. Sikorski moved that the name of Mr. Vega be added as co-author to S. F. No. 1643. The motion prevailed.

Mr. Sikorski moved that the name of Mr. Vega be added as co-author to S. F. No. 1644. The motion prevailed.

Mr. Coleman moved that the Senate do now adjourn until 11:30 o'clock a.m., Monday, January 23, 1978. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SIXTY-FOURTH DAY

St. Paul, Minnesota, Monday, January 23, 1978

The Senate met at 11:30 o'clock a.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. Craig Hanson.

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

Anderson	Gearty	Luther	Pillsbury	Staples
Ashbach	Gunderson	McCutcheon	Purfeerst	Stokowski
Bang	Hanson	Menning	Renneke	Strand
Bernhagen	Hughes	Merriam	Schaaf	Stumpf
Borden	Humphrey	Moe	Schmitz	Tennessee
Chenoweth	Johnson	Nelson	Schrom	Ueland, A.
Chmielewski	Keefe, S.	Nichols	Setzepfandt	Ulland, J.
Coleman	Kirchner	Ogdahl	Sieloff	Vega
Davies	Knaak	Olhoff	Sikorski	Wegener
Dieterich	Knoll	Olson	Sillers	Willet
Engler	Lessard	Penny	Solon	
Frederick	Lewis	Peterson	Spear	

The President declared a quorum present.

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

MEMBERS EXCUSED

Mrs. Brataas; Messrs. Benedict; Dunn; Jensen; Keefe, J.; Kleinbaum; Knutson; Laufenburger and Moe were excused from the Session of today. Mr. Pillsbury was excused from the Session of today at 12:00 o'clock noon.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received and referred to the committees indicated:

January 18, 1978

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

The following appointment to the State Designer Selection Board is hereby respectfully submitted to the Senate for confirmation as required by law:

Karal Marling, 1920 South 1st Street, Minneapolis, Hennepin County, has been appointed by me, effective January 3, 1978, for a term expiring the first Monday in January, 1982.

Referred to the Committee on Governmental Operations.

January 18, 1978

The following appointment as Chairman of the Metropolitan Waste Control Commission is hereby respectfully submitted to the Senate for confirmation as required by law:

Barbara Lukermann, 2211 Folwell, Falcon Heights, Ramsey County, has been appointed by me, effective January 1, 1978, for a term expiring the first Monday in January, 1979.

Referred to the Committee on Governmental Operations.

January 19, 1978

This is to inform you that Ms. Dorothy Fleming, 5633 40th Avenue South, Minneapolis, Hennepin County, has resigned from the Minnesota Environmental Education Board.

I, therefore, respectfully request that the name of Ms. Fleming be removed from Senate consideration.

Sincerely,

Rudy Perpich, Governor

January 19, 1978

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

The Subcommittee on Committees reports the following appointment to fill the unexpired term of former Senator John Milton.

Pursuant to Laws 1976

Chap. 337 Advisory Council on Economic Status of Women

Mr. Lewis

Respectfully submitted,

Nicholas D. Coleman, Chairman
Subcommittee on Committees

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Tennesen, Spear, Sieloff, Davies and Dieterich introduced—

S. F. No. 1647: A bill for an act relating to commerce; repealing the fair trade laws; repealing Minnesota Statutes 1976, Sections 325.08 to 325.14.

Referred to the Committee on Commerce.

Messrs. Nelson and Penny introduced—

S. F. No. 1648: A bill for an act relating to the city of Albert Lea; authorizing the annexation of certain land located outside the city limits.

Referred to the Committee on Local Government.

Mr. Lewis introduced—

S. F. No. 1649: A bill for an act relating to taxation; property tax; extending class 3cc to homesteads of persons receiving private disability pensions; amending Minnesota Statutes, 1977 Supplement, Section 273.13, Subdivision 7.

Referred to the Committee on Taxes and Tax Laws.

Mr. Nichols introduced—

S. F. No. 1650: A bill for an act relating to noxious weeds; removal from state lands by towns; providing procedures for reimbursement of costs; amending Minnesota Statutes 1976, Section 18.315.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Nichols introduced—

S. F. No. 1651: A bill for an act relating to natural resources; changing the procedure for classifying and designating lakes; amending Minnesota Statutes 1976, Section 105.391, Subdivision 5.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Nichols introduced—

S. F. No. 1652: A bill for an act relating to drivers licenses; restricted licenses; expanding restricted licenses for farm work to cover certain other 15 year old drivers; amending Minnesota Statutes 1976, Section 171.041.

Referred to the Committee on Transportation.

Messrs. Sikorski, Keefe, J. and Luther introduced—

S. F. No. 1653: A bill for an act relating to taxation; income-

adjusted homestead credit; providing a credit to homeowners and renters for certain energy costs; prescribing penalties; amending Minnesota Statutes 1976, Chapter 290A, by adding sections.

Referred to the Committee on Energy and Housing.

Messrs. Stokowski, Strand, Ogdahl, Peterson and Renneke introduced—

S. F. No. 1654: A bill for an act relating to retirement; miscellaneous amendments to the public employees retirement law; amending Minnesota Statutes 1976, Sections 353.01, Subdivisions 12, 16, and 20; 353.017, Subdivision 2; 353.30, by adding a subdivision; 353.32, Subdivisions 5 and 9; 353.33, Subdivision 1; 353.34, Subdivision 6; 353.656, Subdivision 6; 356.32, Subdivision 1; Minnesota Statutes, 1977 Supplement, Sections 353.01, Subdivision 2b; and 353.36, Subdivision 2; repealing Minnesota Statutes, 1977 Supplement, Section 353.32, Subdivision 7.

Referred to the Committee on Governmental Operations.

Messrs. Stokowski, Strand, Ogdahl, Peterson and Renneke introduced—

S. F. No. 1655: A bill for an act relating to public employees retirement association; providing for adjusted accrual dates for payment of annuities, survivor benefits and disability benefits; and clarifying membership requirements for elected officials; amending Minnesota Statutes 1976, Sections 353.29, Subdivision 7; 353.32, Subdivision 1a; 353.33, Subdivision 2; 353.657, Subdivision 2a; and Minnesota Statutes, 1977 Supplement, Sections 353.01, Subdivision 2b; 353.29, Subdivision 8; and 353.31, Subdivision 8.

Referred to the Committee on Governmental Operations.

Mr. Schaaf introduced—

S. F. No. 1656: A bill for an act relating to parks; authorizing the use of certain appropriated money for the acquisition and development of recreation facilities for the handicapped at Islands of Peace park; amending Laws 1977, Chapter 352, Section 1.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Schaaf introduced—

S. F. No. 1657: A bill for an act relating to the city of Spring Lake Park; providing for delayed assessment of improvements to residential real estate.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Peterson, Schaaf, Borden, Stokowski and Ogdahl introduced—

S. F. No. 1658: A bill for an act relating to accountancy; providing for licensing of public accountants; prohibiting certain practices; providing penalties; amending Minnesota Statutes 1976, Sections 326.17; 326.18; 326.20, Subdivisions 1 and 2; and Chapter 326, by adding sections.

Referred to the Committee on Commerce.

Messrs. Chmielewski, Olson, McCutcheon, Schmitz and Lessard introduced—

S. F. No. 1659: A bill for an act relating to crimes; limiting a convicted person's right to commercially exploit the crime for which he was convicted.

Referred to the Committee on Judiciary.

Messrs. Merriam, Stokowski, Anderson, Schaaf and Mrs. Knaak introduced—

S. F. No. 1660: A bill for an act relating to the county of Anoka; validating the acquisition of and payment for certain real estate.

Referred to the Committee on Local Government.

Messrs. Chmielewski, Sikorski, Setzepfandt, Sieloff and Sillers introduced—

S. F. No. 1661: A bill for an act relating to taxation; income tax upon military service income and governmental pensions and benefits; amending Minnesota Statutes 1976, Sections 290.01, Subdivision 20, as amended; 290.08, Subdivision 6, as amended; and 290.65, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Davies, Sikorski, Kirchner, Johnson and Sieloff introduced—

S. F. No. 1662: A bill for an act relating to commerce; redefining "banking day"; amending Minnesota Statutes 1976, Section 336.4-104.

Referred to the Committee on Commerce.

Mr. Moe introduced—

S. F. No. 1663: A bill for an act relating to juveniles; probation officers; making county boards responsible for setting salaries for certain probation officers; amending Minnesota Statutes, 1977 Supplement, Section 260.311, Subdivision 5.

Referred to the Committee on Local Government.

Mr. Moe introduced—

S. F. No. 1664: A bill for an act relating to state waters; establishing certain priorities for use of water in processing agricultural products; amending Minnesota Statutes, 1977 Supplement, Section 105.41, Subdivision 1a.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Moe introduced—

S. F. No. 1665: A bill for an act relating to motor vehicle dealers; business requirements for used vehicle dealers; amending Minnesota Statutes, 1977 Supplement, Section 168.27, Subdivision 10.

Referred to the Committee on Commerce.

Messrs. Anderson, Sillers, Sikorski and Davies introduced—

S. F. No. 1666: A bill for an act relating to motor vehicles; providing for suspension of drivers license; amending Minnesota Statutes 1976, Section 171.16, Subdivision 3.

Referred to the Committee on Judiciary.

Messrs. Spear, Coleman, Ogdahl, Mrs. Staples and Mr. Humphrey introduced—

S. F. No. 1667: A bill for an act relating to public buildings; authorizing expenditures for works of art; requiring part of appropriation for building construction be designated for acquisition of works of art; amending Minnesota Statutes 1976, Chapters 16 and 139 by adding sections.

Referred to the Committee on Governmental Operations.

Mr. Sieloff and Mrs. Knaak introduced—

S. F. No. 1668: A bill for an act relating to taxation; income tax; eliminating limitation on deductible losses; amending Minnesota Statutes, 1977 Supplement, Section 290.17, Subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Olhoft; Wegener; Penny; Keefe, J. and Gunderson introduced—

S. F. No. 1669: A bill for an act relating to the legislature; concerning the legislative commission to review administrative rules; conferring subpoena powers; amending Minnesota Statutes 1976, Section 3.965, by adding a subdivision.

Referred to the Committee on Judiciary.

Mr. Knutson, Mrs. Knaak, Messrs. Lessard and Keefe, J. introduced—

S. F. No. 1670: A bill for an act relating to taxation; income tax; exempting certain military pay and pensions from taxation; amending Minnesota Statutes 1976, Section 290.65, by adding a subdivision; and Minnesota Statutes, 1977 Supplement, Sections 290.01, Subdivision 20, and 290.08, Subdivision 6.

Referred to the Committee on Taxes and Tax Laws.

Mr. Peterson introduced—

S. F. No. 1671: A bill for an act relating to crimes; prohibiting commercial use of rhythm units; providing penalties.

Referred to the Committee on Judiciary.

Mr. Peterson introduced—

S. F. No. 1672: A bill for an act relating to taxation; sales tax; requiring list of sales tax liens; amending Minnesota Statutes 1976, Section 297A.40, Subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Peterson, Nichols and Lessard introduced—

S. F. No. 1673: A bill for an act relating to game and fish; increasing the number of authorized activities and the fee for a Minnesota sportsman license; amending Minnesota Statutes 1976, Section 98.46, Subdivision 2a, as amended.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Peterson, Hanson, Setzepfandt and Sillers introduced—

S. F. No. 1674: A bill for an act relating to taxation; inheritance and gift taxes; making Minnesota tax a percentage of federal estate or gift tax due; amending Minnesota Statutes 1976, Sections 291.005, Subdivision 1; 291.01, Subdivisions 1 and 5; 291.02; 292.01, Subdivision 1; 292.08, Subdivision 1; and Chapters 291 and 292, by adding sections; and Minnesota Statutes, 1977 Supplement, Section 291.09, Subdivisions 1 and 2; repealing Minnesota Statutes 1976, Sections 291.01, Subdivisions 2, 3 and 4; 291.03; 291.05; 291.051; 291.06; 291.065; 291.08; 291.09, Subdivision 5; 291.10; 291.11, Subdivisions 2, 3, 4, 5, 6, 7, 8 and 9; 291.111; 291.23; 292.01, Subdivisions 3, 4, 7 and 8; 292.03; 292.031; 292.04; 292.05; 292.06; and 292.07; and Minnesota Statutes, 1977 Supplement, Section 291.07.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Peterson and Nichols introduced—

S. F. No. 1675: A bill for an act relating to taxation; income

tax; eliminating tax on corporations; integrating corporate and individual income taxes; amending Minnesota Statutes 1976, Sections 290.01, Subdivision 6; 290.03; 290.09, Subdivision 6; 290.131, Subdivision 1; 290.134, Subdivisions 3 and 4; 290.41, Subdivision 2; 290.45, Subdivision 1; and 290.47; Minnesota Statutes, 1977 Supplement, Sections 290.06, Subdivision 2c; 290.09, Subdivisions 4 and 5; repealing Minnesota Statutes 1976, Sections 290.02; 290.06, Subdivision 1; 290.08, Subdivisions 13 and 19; 290.09, Subdivision 19; 290.132; 290.134, Subdivision 2; 290.135; 290.136, Subdivisions 7 and 8; 290.137; 290.138; 290.16; 290.21, Subdivisions 2, 4, 5 and 6; 290.34; 290.35; 290.361; 290.363; 290.931; 290.932; 290.933; 290.934, Subdivisions 1, 2, 3, 4, 6 and 7; 290.935; 290.936; 290.971, Subdivisions 2 and 4; 290.972, Subdivisions 1, 2, 3, 4, 6 and 7; 290.973; 290.974; and 290.975; Minnesota Statutes, 1977 Supplement, Sections 290.36; 290.934, Subdivision 5; 290.971, Subdivisions 1, 3, 5 and 6; 290.972, Subdivision 5.

Referred to the Committee on Taxes and Tax Laws.

Mr. Peterson introduced—

S. F. No. 1676: A bill for an act relating to taxation; income tax; changing deduction of federal income tax to accrual basis; amending Minnesota Statutes 1976, Section 290.10; and 290.18, Subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Peterson, Hanson, Nichols, McCutcheon and Sillers introduced—

S. F. No. 1677: A bill for an act relating to prohibited drugs; classifying certain drugs as controlled substances; requiring labels; amending Minnesota Statutes 1976, Section 152.02, Subdivision 4; and Chapter 151, by adding a section.

Referred to the Committee on Judiciary.

Messrs. Peterson and Nichols introduced—

S. F. No. 1678: A bill for an act relating to traffic regulations; concerning driving while intoxicated; amending Minnesota Statutes 1976, Section 169.121, Subdivision 3.

Referred to the Committee on Judiciary.

Messrs. Knutson and Keefe, J. introduced—

S. F. No. 1679: A bill for an act relating to courts; establishing the Minnesota judicial selection board; specifying duties and procedures for the board; appropriating money.

Referred to the Committee on Judiciary.

Messrs. Peterson, Nichols, Davies and Sillers introduced—

S. F. No. 1680: A bill for an act relating to hospitalization and commitment act; concerning emergency hospitalization; amending Minnesota Statutes 1976, Section 253A.04, Subdivision 1.

Referred to the Committee on Judiciary.

Mr. Moe introduced—

S. F. No. 1681: A bill for an act relating to the Minnesota housing finance agency; grants to the handicapped; providing grant increases to existing recipients; amending Minnesota Statutes, 1977 Supplement, Section 462A.05, Subdivision 15.

Referred to the Committee on Energy and Housing.

Mr. Moe introduced—

S. F. No. 1682: A bill for an act relating to medical assistance for the needy; clarifying availability of benefits for treatment of alcoholism in certain residential treatment programs; amending Minnesota Statutes 1976, Section 256B.02, Subdivisions 7 and 8.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Moe introduced—

S. F. No. 1683: A bill for an act relating to state funds; providing for disbursement of advances to non-profit organizations receiving appropriations for certain community programs.

Referred to the Committee on Finance.

Mr. Moe introduced—

S. F. No. 1684: A bill for an act relating to federal aid to state government; requiring consultation with the legislative advisory commission prior to expenditure of certain federal aid.

Referred to the Committee on Finance.

Mrs. Staples, Messrs. Perpich, Nelson, Spear and Keefe, J. introduced—

S. F. No. 1685: A bill for an act relating to health; providing for review of certain health care planning; requiring certificates of need for construction or modifications of certain health care facilities and services; amending Minnesota Statutes 1976, Sections 145.71, Subdivision 1; 145.72; 145.73; 145.74; 145.75; 145.751; 145.76, Subdivisions 1 and 2; 145.761; 145.77; 145.78; 145.79; 145.80; 145.83; and Chapter 145, by adding sections.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Menning introduced—

S. F. No. 1686: A bill for an act relating to courts; county courts; authorizing two county court judges for the district of Rock and Nobles; amending Minnesota Statutes, 1977 Supplement, Section 487.01, Subdivision 5.

Referred to the Committee on Judiciary.

Mr. Menning introduced—

S. F. No. 1687: A bill for an act relating to the town of Leota in Nobles county; authorizing the establishment of detached banking facilities.

Referred to the Committee on Commerce.

Mr. Anderson introduced—

S. F. No. 1688: A bill for an act relating to the city of Anoka; fire department relief association benefits; amending Laws 1971, Chapter 184, Section 1, Subdivisions 2, 3, 4, 5 and 6, as amended; and Section 2, Subdivision 2, as amended.

Referred to the Committee on Governmental Operations.

Messrs. Lewis, Coleman, Sikorski, Kirchner and McCutcheon introduced—

S. F. No. 1689: A bill for an act relating to battered women; appropriating money; amending Minnesota Statutes, 1977 Supplement, Sections 241.62, Subdivision 1; 241.63; 241.66, Subdivision 2, and by adding a subdivision.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Lewis; Keefe, S.; Ogdahl; Ashbach and Gearty introduced—

S. F. No. 1690: A bill for an act relating to the Minneapolis-Saint Paul metropolitan airports commission; providing a maximum amount and funding terms for commission debt; amending Minnesota Statutes 1976, Section 473.667, Subdivisions 2 and 4, and by adding a subdivision.

Referred to the Committee on Transportation.

Messrs. Nelson and Vega introduced—

S. F. No. 1691: A bill for an act relating to public welfare; providing for the revision of criteria governing work incentive and registration; providing authority for local agencies to contract with nonprofit organizations for work program services; amending Minnesota Statutes 1976, Section 256D.11.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Johnson introduced—

S. F. No. 1692: A bill for an act relating to education; foundation aid; providing for adult vocational students to be included in average daily membership; amending Minnesota Statutes 1976, Section 124.562, Subdivision 2.

Referred to the Committee on Education.

Messrs. Schmitz, Setzepfandt, Vega, Penny and Dunn introduced—

S. F. No. 1693: A bill for an act relating to the national guard; increasing the pay for enlisted persons on active duty; amending Minnesota Statutes 1976, Section 192.51.

Referred to the Committee on General Legislation and Veterans Affairs.

Messrs. Bernhagen, Anderson, Setzepfandt, Strand and Laufenburger introduced—

S. F. No. 1694: A bill for an act relating to trespass; requiring written consent of a landowner before entry upon his land for hunting or fishing purposes; providing for sportsman land use passes; prescribing penalties; amending Minnesota Statutes 1976, Sections 84.90, Subdivision 7; 100.273, Subdivisions 1 and 4; and 100.29, Subdivision 21.

Referred to the Committee on Agriculture and Natural Resources.

Mrs. Brataas, Messrs. Knutson, Davies, Dieterich and Sieloff introduced—

S. F. No. 1695: A bill for an act relating to law libraries; amending Minnesota Statutes 1976, Sections 140.41, Subdivision 1; 140.42, Subdivision 1; and 140.43, Subdivision 1.

Referred to the Committee on Judiciary.

Messrs. Schaaf, Purfeerst, Laufenburger, Bang and Lewis introduced—

S. F. No. 1696: A bill for an act relating to taxation; exempting certain taxicabs from gasoline and special fuels tax; amending Minnesota Statutes 1976, Sections 296.01, by adding a subdivision; 296.02, Subdivision 1; 296.025, Subdivision 1; and 296.18, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Olhoft, Strand, Schmitz, Bernhagen and Lessard introduced—

S. F. No. 1697: A bill for an act relating to obscenity; pro-

hibiting the promotion and dissemination of obscene materials; providing penalties; amending Minnesota Statutes 1976, Sections 617.26; 617.27; Chapter 609, by adding sections, and Minnesota Statutes, 1977 Supplement, Section 609.11, Subdivision 1; repealing Minnesota Statutes 1976, Sections 617.241; 617.291; 617.292; 617.293; 617.294; 617.295; 617.296; and 617.297.

Referred to the Committee on Judiciary.

Mr. Chmielewski, Mrs. Knaak, Messrs. Menning, Peterson and Olhoff introduced—

S. F. No. 1698: A bill for an act relating to armories; authorizing disposition of unused armories to counties in addition to municipalities; amending Minnesota Statutes 1976, Section 193.36, Subdivision 2.

Referred to the Committee on General Legislation and Veterans Affairs.

Mr. Wegener introduced—

S. F. No. 1699: A bill for an act relating to the town of Little Falls; allowing the town to contract for the lighting of town roads.

Referred to the Committee on Local Government.

Mr. Strand introduced—

S. F. No. 1700: A bill for an act relating to law enforcement; appropriating funds to reimburse local governments for certain extraordinary expenses.

Referred to the Committee on Local Government.

Messrs. Strand and Nichols introduced—

S. F. No. 1701: A bill for an act relating to parks and recreation; concerning Big Stone Lake state park; deleting real estate from the boundaries of the park.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Olson and Menning introduced—

S. F. No. 1702: A bill for an act relating to education; school district pairing; permitting experimental pairing for Independent School District No. 328 (Sioux Valley) and Independent School District No. 516 (Round Lake); amending Minnesota Statutes, 1977 Supplement, Section 122.85, Subdivision 1.

Referred to the Committee on Education.

Messrs. Strand, Nichols and Penny introduced—

S. F. No. 1703: A bill for an act relating to education; school boards; planning task force; providing for removal of task force members; amending Minnesota Statutes, 1977 Supplement, Section 122.86, Subdivision 3.

Referred to the Committee on Education.

Messrs. Knoll, Gearty, Spear, Stokowski and Keefe, S. introduced—

S. F. No. 1704: A bill for an act relating to the city of Minneapolis; establishing a program setting aside a portion of services and materials for small businesses; regulating bid and performance bonds for small businesses; amending Minnesota Statutes, 1977 Supplement, Section 574.262, Subdivision 1.

Referred to the Committee on Local Government. Mrs. Staples questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Sikorski introduced—

S. F. No. 1705: A bill for an act relating to nursing homes; medical assistance; providing for exceptions to rate limitations; amending Minnesota Statutes, 1977 Supplement, Section 256B.47, Subdivision 1.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Humphrey and Anderson introduced—

S. F. No. 1706: A bill for an act relating to energy; changing the powers of the Minnesota energy agency; providing for the confidentiality of proprietary data furnished to the energy agency; mandating certain residential energy efficiency standards; establishing insulation product and application standards; prescribing penalties; appropriating money; amending Minnesota Statutes 1976, Section 116H.08; Chapter 116H, by adding a section; and Minnesota Statutes, 1977 Supplement, Section 116H.129, Subdivision 1, and by adding subdivisions.

Referred to the Committee on Energy and Housing.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to inform the Senate that the House of Representatives invites and is ready to meet with the Senate in Joint Convention at 11:45 A.M., Tuesday, January 24, 1978, to receive the message of the Honorable Rudy Perpich, Governor of the State of Minnesota, which will be delivered at 12:00 noon.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted January 19, 1978

Mr. Coleman moved that the foregoing message be laid on the table. The motion prevailed.

Mr. President:

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

House Concurrent Resolution No. 6: A house concurrent resolution supporting the American Family Farmer.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted January 19, 1978

Mr. Borden moved that House Concurrent Resolution No. 6 be laid on the table. The motion prevailed.

Mr. President:

Pursuant to Joint Rule 3.02, the Conference Committee on H. F. No. 544 was discharged after adjournment on May 23, 1977 and the bill was laid on the table.

H. F. No. 544: A bill for an act relating to highways; removing the construction moratorium on a certain interstate route, and extending it through the city of St Paul; removing a certain route from the trunk highway system; amending Minnesota Statutes 1976, Sections 161.117; 161.12; and 161.123.

I have the honor to announce that on January 19, 1978, H. F. No. 544 was taken from the table and new House conferees were appointed.

Kempe, A.; Osthoff and Tomlinson have been appointed as such committee on the part of the House.

House File No. 544 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted January 19, 1978

Mr. Vega moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 544, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the house refuses to concur in the Senate amendments to House File No. 1180.

H. F. No. 1180: A bill for an act relating to financial institu-

tions; permitting the establishment and operation of electronic funds transfer facilities; prescribing the powers and duties of the commissioner of banks in relation to funds transfer facilities; protecting the privacy and security of customers of financial institutions who use electronic funds transfer facilities; prescribing penalties.

And the House respectfully requests that a Conference Committee of three members be appointed thereon:

Hanson, Corbid and Ewald have been appointed as such committee on the part of the House.

House File No. 1180 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted January 19, 1978

Mr. Kirchner, for Mr. Laufenburger, moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1180, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Anderson from the Committee on Energy and Housing, to which was referred

S. F. No. 1621: A bill for an act relating to energy; exempting certain solar energy systems from property taxation; providing a credit against income tax for the cost of certain solar energy systems; amending Minnesota Statutes 1976, Section 272.02, Subdivision 1; and 290.06, by adding a subdivision.

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

Page 5, line 2, after "*maximum*" insert "*credit*"

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

Mr. Gearty from the Committee on Elections, to which was referred

S. F. No. 350: A bill for an act relating to elections; establishing a local government election day for election of county, city and school district officers, county and municipal judges and officers of all other political subdivisions except towns; requiring uniform and coordinated election precincts and polling places for

municipalities and school districts; integrating municipal and school district election laws with laws applicable to other elections; providing state reimbursement for the costs of administration of the election held on the local government election day; superseding certain inconsistent general and special laws and home rule charter provisions; amending Minnesota Statutes 1976, Chapters 204A, by adding a section; 205, by adding sections; and 210A, by adding a section; and Sections 40.05, Subdivision 1, 3 and 4; 40.06, Subdivision 1; 123.12, Subdivisions 1 and 5; 123.32, Subdivisions 9, 13 and 23; 123.33, Subdivisions 1 and 4; 123.34, Subdivision 1; 123.351, Subdivisions 1 and 3; 123.51; 128.01; 200.02, Subdivisions 1, 8, 24, and by adding subdivisions; 201.071, Subdivision 1, and by adding a subdivision; 202A.52; 203A.17; 203A.32, Subdivision 3; 204A.06, Subdivision 1; 204A.09, Subdivision 1; 204A.11, Subdivision 3, and by adding a subdivision; 204A.40, Subdivision 2; 204A.45, Subdivision 1; 204A.47, Subdivision 2; 204A.49, by adding a subdivision; 205.01; 205.021; 205.13; 205.14; 205.16, Subdivision 2; 207.02; 207.03; 207.04; 207.151; 209.02, Subdivisions 1 and 3; 375.25, Subdivision 4; 375.03; 375.101, Subdivision 2; 375A.02, Subdivision 1; 375A.09, Subdivision 4; 382.01; 389.011, Subdivision 2; 397.06; 397.07; 398.04; 410.21; 412.02, Subdivision 2; 412.021, Subdivision 2; 412.571, Subdivision 5; 447.32, Subdivisions 1 and 2; 487.03, Subdivisions 2 and 5; 488A.021, Subdivision 3; and 488A.19, Subdivision 3; repealing Minnesota Statutes 1976, Sections 123.015; 123.11, Subdivisions 2, 3, 4, 5 and 6; 123.32, Subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 11, 22, 24, 25, 26 and 27; 201.33; 205.02; 205.03; 205.07; 205.11; 205.18; 205.19; 205.20; and 447.32, Subdivisions 3 and 4.

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

Strike everything after the enacting clause and insert:

"ARTICLE I

LOCAL GOVERNMENT ELECTION DAY

Section 1. [205.011] [LOCAL GOVERNMENT ELECTION DAY.] *Subdivision 1. [LEGISLATIVE INTENT.] It is the purpose and intent of this act to increase public interest and participation in local elections and to draw the attention of the public and the news media to local government issues by the designation of a single, uniform, biennial date for all local elections in the state; to encourage more people to vote at local elections by permitting voters to cast their ballots in all local election contests, including school district, city and county elections, only once every two years and at a single, convenient polling place; to encourage more people to seek local elective offices by establishing a uniform time for filing for office; and to lower the administrative costs of local elections by eliminating separate dates and procedures for conducting local elections and providing a single, biennial election for all local offices conducted, as far as practicable, in the same manner as the statewide general election.*

Subd. 2. [CITATION.] This act may be cited as the "Minnesota local government election day act."

Sec. 2. Minnesota Statutes 1976, Chapter 205, is amended by adding a section to read:

[205.015] [LOCAL GOVERNMENT ELECTION DAY.] *Subdivision 1. [ESTABLISHMENT.] The first Tuesday after the first Monday in November in each odd numbered year is designated and shall be known as the "local government election day."*

Subd. 2. [OFFICERS ELECTED.] The regular election of the elective officers of every county, city and school district, the judges of the county and municipal courts and the elective officers of every other political subdivision of the state except towns shall be held on the local government election day next preceding the expiration of their terms.

Subd. 3 [PRIMARY.] A primary election shall be held six weeks before the local government election day to select the candidates for the offices to be filled on that day except for municipal offices in municipalities of less than 2,500 inhabitants.

No primary shall be held to select candidates for any non-partisan office when only two persons file for nomination for that office, or when not more than twice the number of persons to be elected file for nomination for that office.

Subd. 4. [PLACE OF ELECTION.] The election precincts and polling places for elections held on the local government election day shall be those established according to sections 204A.06 to 204A.11. Ballots shall be distributed and available so that no voter shall be required to vote in more than one polling place in order to vote in every election in which the voter is eligible to vote on the local government election day.

Subd. 5. [HOURS FOR VOTING.] The hours for voting in each precinct in which an election is held pursuant to this section shall be as provided in section 204A.05 for the general election and the primary before that election.

Subd. 6. [TIME FOR FILING.] The time for the filing of any affidavit, application, petition or other document required to place the name of any person on the ballot for election to any office to be filled on the local government election day for which a primary is required for nomination of candidates shall commence 14 weeks before the local government election day and shall conclude 12 weeks before that day. When no primary is required, the time for filing shall commence eight weeks before the local government election day and conclude six weeks before that day.

Subd. 7. [WITHDRAWAL OF CANDIDACY.] A candidate for any office to be filled on the local government election day may withdraw his candidacy for that office not later than 5:00 p.m. on the day after the close of the filing period. Such a candidate may also withdraw during the seven days following the primary election. Affidavits of withdrawal shall be filed with the officer who receives affidavits of candidacy for that office.

Subd. 8. [PURPOSE; OTHER LAWS AND CHARTERS SUPERSEDED.] It is the purpose and intent of this section to establish uniform dates and procedures for the election of all officers described in subdivision 2. To the extent inconsistent with this intent all general and special laws and municipal charter provisions providing otherwise are superseded. In all other respects, those laws and charter provisions shall continue in full force and effect. No general or special law enacted after August 1, 1978, shall be construed to authorize or require that the regular election of any officers described in subdivision 2 be held at a time or in a manner different from that required by this section, unless that law expressly provides for such an exception by specific reference to this section.

ARTICLE II

ELECTION LAWS; LOCAL GOVERNMENT ELECTIONS

Section 1. Minnesota Statutes 1976, Section 205.01, is amended to read:

205.01 [DEFINITIONS.] The words used in sections ~~205.01 to 205.17~~ chapter 205 have the meanings prescribed to given them in chapter 200.

Sec. 2. Minnesota Statutes 1976, Chapter 205, is amended by adding a section to read:

[205.017] [NOTICE OF OFFICES TO BE FILLED; COUNTIES, CITIES AND SCHOOL DISTRICTS.] *No later than 15 days before the first day for filing affidavits of candidacy each county auditor and each city, school district, hospital district and soil and water conservation district clerk shall prepare, post in his respective office and publish a notice specifying the officers whose certificates of election were issued by the office of that auditor or clerk and who are to be voted on at the next regular election. The notice shall also state the opening and closing dates for filing affidavits and the place for filing. Immediately upon preparation, the county auditor and school district, hospital district and soil and water conservation district clerks shall deliver copies of the notice to the clerk of each municipality in the county or district. The clerk of each municipality shall post in his office copies of the notices delivered to him pursuant to this section.*

Sec. 3. Minnesota Statutes 1976, Section 205.021, is amended to read:

205.021 [CITY ELECTIONS; APPLICABLE STATUTES.] In all statutory and home rule charter cities, the regular, primary, and special elections held for choosing public officials for the city and deciding public questions relating to the city shall be held according to the statutes governing the general election and the primary preceding the general election as far as practicable, except as provided in sections 205.01 to 205.17 ; except that sections ~~205.01 to 205.15~~ are not applicable to any city the charter of which provides for the manner of holding its regular, primary, or special municipal elections . Sections 205.01 to 205.17 shall also apply to towns to the extent specified in those sections.

Sec. 4. Minnesota Statutes 1976, Chapter 205, is amended by adding a section to read:

[205.026] [OPTIONAL ALLEY SYSTEM AND RESIDENCE DISTRICTS.] *Notwithstanding any general or special law or any home rule charter provision to the contrary, any municipality that holds municipal elections on the local government election day and holds at large elections for members of the governing body of the municipality may by ordinance designate each position on the governing body by a separate letter of the alphabet and require that each candidate for election to the governing body shall file for only one designated position. Each such position to be filled at any election shall be designated on the ballot by the appropriate letter. Any such municipality may in the same or in a separate ordinance assign each designated position to a separate geographical district within the municipality and require that any candidate who files for any position must reside in the district to which the position is assigned. The residence districts shall be substantially equal in population. Any ordinance adopted pursuant to this section shall be adopted at least 16 weeks before the local government election day for which it is effective and shall be effective for all ensuing elections until revoked. The governing body of the municipality shall file a copy of the ordinance with the secretary of state.*

Sec. 5. Minnesota Statutes 1976, Chapter 205, is amended by adding a section to read:

[205.125] [OPTIONAL PRIMARY; RUN-OFF ELECTION REQUIREMENT.] *Subdivision 1. [OPTIONAL PRIMARY.] The governing body of any municipality of less than 2,500 inhabitants which holds municipal elections on the local government election day may elect by ordinance or resolution to hold a municipal primary election six weeks before the local government election day. Any such ordinance or resolution shall be adopted at least 16 weeks before the local government election day and shall be effective for all ensuing elections until revoked. The governing body of the municipality shall file a copy of the ordinance or resolution with the secretary of state.*

Subd. 2. [RUN-OFF ELECTION REQUIRED, WHEN.] When more than twice the number of persons to be elected to any municipal office are candidates for that office in a municipality which holds municipal elections on the local government election day but does not hold a municipal primary, a candidate for that office shall be declared elected only if he receives a majority of the vote cast for that office. When more than one person is to be elected to an office, the vote cast for that office shall be deemed to be the total vote cast for all candidates for that office divided by the number of persons to be elected. If no candidate, or an insufficient number of candidates, receives a majority of the vote cast for that office a run-off election shall be held among the number of candidates equal to twice the number of persons remaining to be elected to that office who receive the highest number of votes in the regular election. The run-off election shall

be held three weeeeks after and conducted in the same manner as the regular municipal election.

Sec. 6. Minnesota Statutes 1976, Section 205.13, is amended to read:

205.13 [MUNICIPAL ELECTION; CANDIDATES; FILING.]
Subdivision 1. [CITIES; AFFIDAVITS OR APPLICATIONS.] Not more than six nor less than four weeks before the primary election, or before the municipal election if there is no primary election, Any person eligible and desiring to have his name placed on the official ballot as a candidate for an office to be voted for at the regular city election or at any town election held on the local government election day shall file his affidavit of candidacy with the municipal clerk during the time for filing prescribed by article 1, section 2, subdivision 6. The affidavit shall be substantially the same form as required of candidates for state offices. An application also may be signed by not less than five voters and filed on behalf of any qualified voter in the municipality whom they desire to be a candidate if service of a copy of the application is made on the candidate and proof of service is endorsed on the application before filing. Upon payment of the proper filing fee to the clerk, the clerk shall place the name of the candidate on the official ballot without partisan designation.

Subd. 2. [TOWN ELECTIONS AT ANNUAL MEETING; AFFIDAVITS OR APPLICATIONS.] Town elections held at the annual town meeting shall follow the procedures established in subdivision 1, except that the time for filing shall be not more than 42 nor less than 28 days before the primary or before the town election if there is no primary.

Subd. 3. [NONPARTISAN BALLOT.] Municipal ballots shall not contain any partisan designation for any candidates except as provided in section 205.17.

Sec. 7. Minnesota Statutes 1976, Section 205.14, is amended to read:

205.14 [MUNICIPAL ELECTION, PROCEDURE.] Subdivision 1. [MATERIALS, BALLOTS.] The city municipal clerk shall prepare and cause to be printed the necessary election materials, including the ballots, for the municipal election.

Subd. 2. [ELECTION, CONDUCT.] The election primary and regular municipal elections shall be held and the returns made in the manner provided for the general election and the primary election preceding the general election.

Subd. 2a. [PRIMARY ELECTION RESULTS.] Within two days after the municipal primary election, the governing body of the municipality shall canvass the returns of the election, and the two candidates for each office who receive the highest number of votes, or a number of candidates equal to twice the number of persons to be elected to the office and who receive the highest number of votes, shall be the nominees for the office named. In

any case where a tie vote causes more candidates than may be nominated to an office to receive the highest number of votes, the governing body shall determine the result by lot. The names of the nominees shall be certified to the municipal clerk who shall place them on the regular municipal election ballot without payment of an additional fee.

Subd. 3. [REGULAR ELECTION RESULTS; CERTIFICATE OF ELECTION; DISPOSITION OF BALLOTS.] Within two days after the regular election, the council governing body shall canvass the returns and declare the results of the election. After the time for contesting elections has passed, the municipal clerk shall issue a certificate of election to each successful candidate ; but . In case of a contest, the certificate shall not be issued until the contest has been determined by the proper court. In case of a tie vote, the council governing body shall determine the result by lot. The municipal clerk shall certify the results of the election to the county auditor ; and . The city clerk shall be the final custodian of the ballots and the returns of the election.

Sec. 8. Minnesota Statutes 1976, Section 205.16, Subdivision 2, is amended to read:

Subd. 2. [SAMPLE BALLOT, NOTICE.] In all statutory and home rule charter cities, For every election held within the city for municipal purposes, the city clerk shall, at least one week before the election, publish a sample ballot in the official newspaper of the city, except that the council of any fourth class city may dispense with publication: At least four days before the election the clerk shall post a sample ballot in his office for public inspection ; and a sample ballot shall also be posted in each polling place .

Sec. 9. Minnesota Statutes 1976, Chapter 205, is amended by adding a section to read:

[205.165] [SAMPLE BALLOTS AT EACH POLLING PLACE.] For every election held within the municipality, the municipal clerk shall cause to be posted in each polling place a sample ballot of every ballot to be voted upon at that polling place, including a sample of the state, county, city, school district or other ballot that may be voted upon.

Sec. 10. Minnesota Statutes 1976, Chapter 205, is amended by adding a section to read:

[205.211] [COUNTY ELECTIONS.] Except as provided in Article I, Section 2 and Article II, Section 2, the statutes governing the general election and the primary preceding the general election shall govern the regular and primary election for county officers and county court judges.

Sec. 11. Minnesota Statutes 1976, Chapter 205, is amended by adding a section to read:

[205.221] [INDEPENDENT SCHOOL DISTRICT ELECTIONS.] Subdivision 1. [STATUTES APPLICABLE.] Except as otherwise provided in chapter 205, the statutes governing the

general election and the primary preceding the general election shall govern independent school district regular and primary elections as far as practicable.

Subd. 2. For the purposes of article II, sections 11 to 15 of this act, "district" or "school district" means "independent school district."

Sec. 12. Minnesota Statutes 1976, Chapter 205, is amended by adding a section to read:

[205.226] [ALLEY SYSTEM AND RESIDENCE AREA OPTIONS.] *Notwithstanding any general or special law or any home rule charter provision to the contrary, any school district which holds at large elections for members of the school board may by resolution designate each position on the board by a separate letter of the alphabet and require that each candidate for election to the board file for only one designated position. Each such position to be filled at any election shall be designated on the ballot by the appropriate letter. Any such district may in the same or in a separate resolution assign each designated position to a separate geographical area within the district and require that any candidate who files for any position must reside in the area to which the position is assigned. The residence areas shall be substantially equal in population. Any resolution adopted pursuant to this section shall be adopted at least 16 weeks before the local government election day for which it is effective and shall be effective for all ensuing elections until revoked. A copy of the resolution shall be filed with the secretary of state.*

Sec. 13. Minnesota Statutes 1976, Chapter 205, is amended by adding a section to read:

[205.231] [INDEPENDENT SCHOOL DISTRICT ELECTIONS; PROCEDURES.] *Subdivision 1. [NOTICE OF ELECTION.] The clerk of the district shall give ten days' posted notice of every regular, primary and special independent school district election. If there is a newspaper published in the district, the clerk shall also give one week's published notice. The notice shall specify the time, place and purpose of the election, and shall contain information concerning the precincts, polling places and hours the polls will be open. At least four days before the election, the clerk shall post a sample ballot in his office for public inspection.*

Subd. 2. [CANDIDATES; AFFIDAVITS AND APPLICATIONS.] The school board of each district shall designate one full time employee in the central office of the district to accept affidavits and applications made pursuant to this subdivision. Any person desiring to be a candidate for an independent school district office at the regular election shall file an affidavit of candidacy with the designated district employee. Affidavits shall be substantially the same form as required for state offices. Any five voters of the district may also file a written application for or on behalf of any qualified voter in the district whom they desire to be a candidate. An affidavit or application shall be filed during the time for filing prescribed by article I, section 2, sub-

division 6, of this act and shall be accompanied by payment of a fee not to exceed \$5.

Subd. 3. [PREPARATION OF BALLOTS.] At the expense of the district, the clerk shall prepare and cause to be printed the necessary official and sample ballots for the election of officers, placing thereon the name and number of the school district and the names of the proposed candidates with the same number of blank spaces for the insertion of names of other candidates as there are members to be elected. School district ballots shall not contain any partisan designation for any candidates. Official ballots shall be printed on buff color paper. Any proposition to be voted upon shall be stated on a separate ballot printed on violet color paper. Voting shall be by secret ballot. The facsimile signature of the clerk shall appear on the backs of the ballots. No later than the 15th day preceding a regular or primary election, the clerk shall cause to be delivered:

(a) Sufficient sample and official ballots to the municipal clerk of each municipality into which the district extends and to the county auditor of any county containing unorganized territory into which the district extends to permit the municipal clerk and county auditor to provide sufficient ballots to each polling place in the district; and

(b) Sufficient ballots to the officials responsible for accepting applications for absentee ballots pursuant to section 207.03, to permit them to carry out the duties prescribed by chapter 207. Each municipal clerk and county auditor shall provide a sufficient number of school district ballots to the election judges of the appropriate precincts on the day preceding the election.

Subd. 4. [VOTING MACHINES.] Where voting machines are used in precincts containing more than one school district or more than one school election district, separate voting machines shall be used and shall be allocated between the school districts or school election districts in proportion to the number of voters eligible to vote in the precinct from each district.

Sec. 14. Minnesota Statutes 1976, Chapter 205, is amended by adding a section to read:

[205.241] [ELECTION RESULTS; CERTIFICATION OF CANDIDATES.] *Subdivision 1. [PRIMARY RESULTS.] Within two days after receipt of the returns of the primary election, the school board shall canvass the returns, issue certificates to the two candidates for each office who receive the highest number of votes, or to a number of candidates equal to twice the number of persons to be elected to the office and who receive the highest number of votes, and shall place the names of those candidates on the official ballot for the regular election without the payment of an additional fee. In any case where a tie vote causes more candidates than may be nominated to an office to receive the highest number of votes, the board shall determine the result by lot.*

Subd. 2. [REGULAR ELECTION RESULTS.] Within four days after receipt of the returns of the regular election, the school

board shall canvass the returns and shall issue a certificate of election to the candidate for each office who received the largest number of votes cast for the office. If any candidates receive an equal number of votes for an office, the board shall resolve the tie by lot. The clerk shall deliver the certificates by registered mail, and each person so certified shall file an acceptance and oath of office in writing with the school district clerk within 30 days of the date of mailing of the certificate. A person who fails to qualify prior to the time specified shall be deemed to have refused to serve, but the filing may be made at any time before action to fill the vacancy has been taken.

Sec. 15. Minnesota Statutes 1976, Chapter 205, is amended by adding a section to read:

[205.251] [SPECIAL ELECTIONS; EXCEPTION.] *The board of an independent school district may, and upon petition of 50 or more voters of the district or five percent of the number of votes cast at the preceding regular election, whichever is the greater, shall, by resolution call a special election to vote on any matter requiring approval of the voters of the district. The clerk of the district shall give ten days' posted notice and one week's published notice of election; if a newspaper is published in the district. The notice shall specify the time and place of election, and the questions to be submitted to the voters at the election. The procedure for a special election shall be the same as for a regular election. The expenses of special elections shall be paid by the school district. This section does not apply to elections held pursuant to sections 122.23, 122.25 and 122.26.*

Sec. 16. Minnesota Statutes 1976, Chapter 205, is amended by adding a section to read:

[205.261] [COMMON SCHOOL DISTRICTS; ELECTIONS.] *Subdivision 1. The school board of a common school district shall be elected at the same time and in the same manner as board members in independent districts.*

Subd. 2. This section applies only to School District No. 323 and School District No. 815.

Sec. 17. Minnesota Statutes 1976, Chapter 205, is amended by adding a section to read:

[205.271] [COORDINATION OF LOCAL ELECTIONS; DUTIES OF SECRETARY OF STATE.] *Subdivision 1. [ADOPTION OF RULES.] No later than January 1, 1979, the secretary of state shall adopt rules to facilitate the coordination of the various elections held on the local government election day. The rules shall provide:*

(a) Standards and guidelines to aid municipalities, counties, school districts and other political subdivisions in allocating election costs, designating boundaries for election purposes and administering elections in precincts split by any election district boundary;

(b) A procedure for preparation of precinct maps showing the number and boundary of each school district and school district election district in the precinct and distribution of the maps to the appropriate election judges;

(c) A procedure to be followed by local elections officials to ensure that the number of the school district in which the voter resides is placed on every voter registration card in the manner and by the time required in article III, sections 7 and 9 of this act;

(d) Procedures for efficient distribution of sample and official school district ballots to the polling places; and

(e) A procedure for resolving disputes between municipalities, counties, school districts and other political subdivisions with regard to the conduct of elections.

Subd. 2. [PREPARATION OF LOCAL ELECTION BOOKLET.] No later than January 1, 1979, and every two years thereafter, the secretary of state shall prepare a booklet for distribution to local election officials setting forth all provisions of the election laws that are applicable to elections held on the local government election day.

Sec. 18. Minnesota Statutes 1976, Chapter 205, is amended by adding a section to read:

[205.30] [HOSPITAL DISTRICT ELECTIONS.] *Subdivision 1. [APPLICABLE STATUTES.] Except as otherwise provided in chapter 205, the statutes governing the general election and the primary preceding the general election shall govern hospital district elections as far as practicable.*

Subd. 2. [APPLICATION FOR CANDIDACY.] Any person desiring to be a candidate for member of a hospital board shall file with the clerk of the town or city in which he resides an affidavit of candidacy as a member at large or member representing the town or city. Affidavits shall be substantially in the same form as required for municipal elections and shall be filed during the time for filing prescribed by article I, section 2, subdivision 6 of this act. The clerk of the town or city shall transmit all affidavits of candidacy for member at large or member representing the town or city to the clerk of the district.

Subd. 3. [PREPARATION OF BALLOTS; CERTAIN TOWNS.] For all towns in the district which do not hold town elections on the local government election day, the clerk of the district shall prepare and distribute to the town clerks at the expense of the district the necessary primary and regular sample and official election ballots for candidates for membership on the hospital board. The official ballots shall be on light green paper and shall be prepared in the manner provided in section 205.07 for preparation of the town light green ballot, except that preparation shall be by the clerk of the district. The clerk of the district shall provide sufficient ballots to the officials responsible for accepting applications for absentee ballots pursuant to section 207.03, to permit them to carry out the duties prescribed by chapter 207.

Subd. 4. [PREPARATION OF BALLOTS; CITIES AND CERTAIN TOWNS.] For each town which holds a town election on the local government election day and for each city within the district, the district clerk shall certify the names of the candidates for nomination and election as members representing the town or city and members at large to the municipal clerk. The municipal clerk shall place the names of the candidates for nomination or election as members representing the town or city or members at large on the town or city light green ballot. The hospital district shall reimburse the town or city for its pro rata share of the cost of preparing the light green ballot, as provided in the rules of the secretary of state.

Subd. 5. [ELECTION RETURNS.] For the primary and regular election, each clerk of the district shall supply to the clerk of each town and city in the district a number of blank summary statements sufficient for recording the results of the hospital district election in each precinct. Summary statements shall be prepared in the manner required by the secretary of state. After counting the votes, the election judges in each precinct shall complete a summary statement supplied by the district and shall submit the completed statement to the clerk of the town or city in which the precinct is located. The clerk of each town and city shall transmit the hospital district election summary statements to the clerk of the district within 48 hours after the closing of the polls.

Subd. 6. [CANVASSING OF RESULTS.] Upon receiving the completed summary statements containing the primary election results the hospital board shall forthwith canvass the results of the primary election and shall certify the names of the candidates to appear on the regular election ballot. In any case where a tie vote causes more candidates than may be nominated to an office to receive the highest number of votes, the board shall determine the result by lot. Upon receiving the summary statements containing the regular election results the board shall forthwith canvass the results and shall issue certificates of election to the candidates receiving the highest number of votes for each office. The clerk shall deliver the certificate to the person entitled thereto in person or by registered mail, and each person so certified shall file an acceptance and oath of office in writing with the clerk within 30 days after the date of delivery or mailing of the certificate. The board may fill any office in the manner provided in section 447.32, subdivision 1, if the person elected thereto fails to qualify within said period, but the qualification shall be effective if made at any time before action to fill the vacancy has been taken.

Subd. 7. [APPLICATION.] The election procedures provided in this section apply to hospital districts created pursuant to section 397.05 or 447.31.

ARTICLE III

ELECTION LAWS; GENERAL PROVISIONS

Section 1, Minnesota Statutes 1976, Section 200.02, Subdivision 1, is amended to read:

200.02 [DEFINITIONS.] Subdivision 1. [ELECTION.] The word "election" means any election except those held in any school district, unless otherwise specifically provided by law, at which the electors of the state or any subdivision thereof including any school district nominate or choose by ballot public officials or decide any public question lawfully submitted to them.

Sec. 2. Minnesota Statutes 1976, Section 200.02, is amended by adding a subdivision to read:

Subd. 2a. [LOCAL GOVERNMENT ELECTION DAY.] "Local government election day" means the first Tuesday after the first Monday in November in every odd numbered year as designated pursuant to article 1, section 2, of this act.

Sec. 3. Minnesota Statutes 1976, Section 200.02, is amended by adding a subdivision to read:

Subd. 7a. [CITY.] "City" means a home rule charter or statutory city.

Sec. 4. Minnesota Statutes 1976, Section 200.02, Subdivision 8, is amended to read:

Subd. 8. [HOME RULE CHARTER CITY.] The words "statutory city" mean "Home rule charter city" means any city which has not adopted a home rule charter pursuant to the constitution and laws of this state; the words "home rule charter city" mean any city which has adopted such a charter.

Sec. 5. Minnesota Statutes 1976, Section 200.02, is amended by adding a subdivision to read:

Subd. 8a. "Statutory city" means a city that has not adopted a home rule charter.

Sec. 6. Minnesota Statutes 1976, Section 200.02, Subdivision 24, is amended to read:

Subd. 24. [TERM OF OFFICE.] The term of office of every state and, county, city and school district officer and of every other officer of any political subdivision of the state except towns shall begin on the first Monday in January next succeeding his election, unless otherwise provided by law.

Sec. 7. Minnesota Statutes, 1977 Supplement, Section 201.071, Subdivision 1, is amended to read:

201.071 [REGISTRATION CARDS.] Subdivision 1. Registration cards shall be manila or cardboard cards of size and weight suitable for mailing, and shall be substantially in the following form:

VOTERS REGISTRATION CARD

(Please print or type)

Date: School District No.....

1. Name: Last First Middle Initial

2. Address:
Street or Route No.

.....
(City or Township) County Zip

3. Telephone Number:

4. Date of birth (optional):

5. Last registration if any :
Street or Route Number

.....
City (or Township) Zip

6. I certify that I will be at least 18 years old on election day and that the above facts are correct. I understand that giving false information to procure a registration is a felony punishable by not more than five years imprisonment and a fine of not more than \$5,000, or both.

.....
Signature of Voter

Sec. 8. Minnesota Statutes, 1977 Supplement, Section 201.071, Subdivision 3, is amended to read:

Subd. 3. No registration is faulty or defective if the registration card contains the voter's name, address, prior registration if any and signature, as in items 1, 2, 5 and 6 of the registration card above. The absence of a zip code number or school district number does not cause the registration to be faulty or defective. The judges of election may request a voter to complete a registration card that is incomplete or illegible. No voter may be prevented from voting unless his registration is faulty or defective or he is duly and successfully challenged in accordance with provisions of this chapter.

Sec. 9. Minnesota Statutes 1976, Section 201.071, is amended by adding a subdivision to read:

Subd. 5. All voter registration cards on file on August 1, 1979, and thereafter shall have the number of the school district in which the voter resides recorded on the card as provided in subdivision 1.

Sec. 10. Minnesota Statutes 1976, Section 202A.26, Subdivision 1, is amended to read:

202A.26 [CANDIDATES, WITHDRAWAL.] Subdivision 1. [AFFIDAVIT OF WITHDRAWAL.] No candidate may withdraw his name from the primary ballot unless he files an affidavit with the secretary of state or with the county auditor, as the case may be, within six days after the last day for filing for the office, requesting the officer to withdraw ~~affian's~~ his name from the ballot. *In the case of any candidate for county office or for judge of the county or municipal court, an affidavit of withdrawal shall be filed no later than 5:00 p.m. on the day after the close of the filing period for those offices.*

Sec. 11. Minnesota Statutes 1976, Section 202A.52, is amended to read:

202A.52 [OFFICERS CHOSEN.] All elective, state and county officers, judges of the supreme and district courts, members of the legislature, and senators and representatives in congress shall be elected at the general election next before the preceding the expiration of their respective terms thereof shall expire, and . At the general election held in the year preceding the expiration of a term of a president of the United States presidential electors shall also be chosen. *County officers and judges of the county court shall be elected on the local government election day; but, except as provided in article I, section 2 and article II, section 2, of this act the statutes governing the general election and the primary preceding the general election shall govern the regular and primary election of those officers and judges.*

Sec. 12. Minnesota Statutes 1976, Section 203A.17, is amended to read:

203A.17 [BALLOTS, RECORDS, DISPOSITION.] The auditor of any county and the clerk of any municipality or school district may destroy all ballots, voters' certificates, and election returns, except the abstract of the canvassing board, at any time after one year from the date of the election wherein the ballots and election returns were used, except that all election returns involved in a contested election may not be destroyed until the contest has been finally determined. *Notwithstanding the provisions of section 138.163, the records authorized to be destroyed under this section are exempt from the preservation requirements of Minnesota Statutes, Chapter 138 and of Laws 1971, Chapter 529.*

Sec. 13. Minnesota Statutes 1976, Section 203A.31, Subdivision 1, is amended to read:

203A.31 [WHITE AND PINK BALLOTS.] Subdivision 1. [STATE WHITE BALLOT.] There shall be one ballot upon plain white paper, hereinafter called to be known as the "white ballot," upon which shall be printed names of all candidates for offices to be voted for throughout the state, including, but not to be restricted to, candidates for senator and representative in congress and candidates, for senator and representative in the legislature and for judge of the district court . The candidates for senator in congress shall be first on the white ballot, the candidates for representative in congress shall be second, candidates for senator in the legislature shall be third, and candidates for representative in the legislature shall be fourth. The candidates for state offices shall follow the candidates for representative in the legislature. Candidates for governor and lieutenant governor shall appear so that a single vote will apply to both offices.

Sec. 14. Minnesota Statutes 1976, Section 203A.32, is amended to read:

203A.32 [COUNTY AND DISTRICT BALLOTS.] Subdivision 1. [CANARY BALLOT.] There shall be one ballot on canary paper, hereinafter called the "canary ballot," upon which shall be

printed The names of all candidates for office and all questions and propositions to be submitted that are not required by law to be placed on other ballots, including but not to be restricted to, the candidates for all county elective offices, and the candidates for the district and probate court offices shall be placed on one ballot on canary paper to be known as the canary ballot. This ballot shall be headed "County and District Nonpartisan Ballot."

Subd. 1a. [GOLDENROD BALLOT.] All questions and propositions to be submitted to the voters that are not required to be placed on any other ballot shall be placed on one ballot on goldenrod paper to be known as the goldenrod ballot. This ballot shall be headed "County and District Proposition Ballot."

Subd. 2. [PREPARATION OF BALLOTS.] The canary ballot and goldenrod ballots shall be prepared under the direction of the county auditor; and the ballots shall be headed, "County and District Ballot."

Subd. 3. [SAMPLE BALLOTS, NOTICE.] Two weeks before the general any election at which the white, canary or goldenrod ballots are to be cast the auditor shall file a sample of the white each ballot and the canary ballot to be cast in his office for public inspection; and two weeks before the general election the auditor shall give one week's published notice of the contents of the official state ballot and the county and district each ballot. The auditor shall also supply each municipal clerk in the county with a sufficient number of samples of the white ballot and, before the local government election day the canary ballot, so that one copy of each sample ballot may be posted at each polling place in every municipality in the county. The county auditor shall cause to be posted in each polling place in any unorganized territory in the county a sample ballot of every ballot to be voted upon at that polling place, including a sample school district ballot.

Sec. 15. Minnesota Statutes 1976, Section 204A.05, Subdivision 1, is amended to read:

204A.05 [STATE ELECTIONS, HOURS FOR VOTING.] Subdivision 1. [OPENING AND CLOSING OF POLLS.] Except as otherwise provided in this section, at the general election and the primary election the polls in every precinct in the state shall open at 7:00 a.m., and they shall be kept open continuously until 8:00 p.m., at which time they shall close. The governing body of any municipality of less than 1,000 inhabitants, situated entirely outside the metropolitan area as defined in Minnesota Statutes 1965, section 473.82, Subdivision 5 473.121, subdivision 2, by resolution adopted 30 days prior to any general or primary election, may fix a time for the opening of the polls which may not be earlier than 7:00 a.m. nor later than 9:00 a.m. in the case of a general election, 5:00 p.m. in the case of a primary election. Resolutions adopted pursuant to this subdivision shall be effective for all ensuing general or primary elections until revoked. The governing body shall transmit a copy of the resolution to the secretary of state. Under no circumstances shall the ballot boxes be opened and the ballots counted before closing of the polls.

Sec. 16. Minnesota Statutes 1976, Section 204A.06, is amended by adding a subdivision to read:

Subd. 1c. [COORDINATION WITH SCHOOL DISTRICTS.] In the course of developing precinct boundaries, the council shall take into account the boundaries of each school district and the boundaries of election districts, if any, within each school district located within the municipality and shall consult with the board of each such school district and each municipality which includes territory of the school district before taking final action on designating the precinct boundaries.

Sec. 17. Minnesota Statutes 1976, Section 204A.09, Subdivision 1, is amended to read:

204A.09 [POLLING PLACES DESIGNATED.] Subdivision 1. [METHOD.] *The council governing body of every municipality shall, by ordinance or resolution, designate the place of holding the election for each precinct; otherwise the election shall be held as near as may be to the place where the preceding election was held, subject to change before the opening of the polls as provided by law. In order to more efficiently administer elections held in precincts split by school district or school district election district boundaries or in other precincts where a special need is determined, the governing body of any municipality may designate more than one polling place in a precinct. In any statutory city or in any city of the third or fourth class, having more than one precinct, the council of the municipality may, by ordinance or resolution, provide for the holding of all elections in the municipality in some building centrally located therein, and the voters of the municipality may vote at such place so designated, irrespective of whether the voting place is actually located in their precinct or not. At the place so designated there shall be provided separate statutory voting facilities for each precinct, and the voting shall otherwise be conducted in the same manner as though the voting places were located in the respective precincts. The council governing body of any municipality may, by ordinance or resolution, designate a polling place for holding of elections for a specific precinct in a building outside the precinct, provided that the building must be located within 1500 feet one half mile of the precinct.*

Sec. 18. Minnesota Statutes 1976, Section 204A.11, Subdivision 3, is amended to read:

Subd. 3. [BALLOT BOXES.] Each polling place shall be provided with one white, one pink, one canary, and one light green ballot box. As many of these ballot boxes shall be used at any election of each color as there are kinds colors of ballots to be voted upon at that election. Whenever buff ballot boxes are required, a separate box shall be provided for each school district for which ballots are to be cast at that polling place. The number of the school district shall conspicuously appear on the top of each buff ballot box. Each box shall be of sufficient size, and with a sufficient opening, to receive and contain all the ballots likely to be placed therein.

Sec. 19. Minnesota Statutes 1976, Section 204A.11, is amended by adding a subdivision to read:

Subd. 5. [SAMPLE BALLOTS.] Each polling place shall be provided with a sample ballot for every ballot to be voted upon at that polling place. The sample ballots shall be posted in a prominent place in the polling place and be open to inspection by the voters during the time that the polling place is open.

Sec. 20. Minnesota Statutes 1976, Chapter 204A, is amended by adding a section to read:

[204A.245] [STATE REIMBURSEMENT OF LOCAL GOVERNMENT ELECTION DAY EXPENSES.] *Subdivision 1. [PURPOSE AND INTENT.] It is the purpose and intent of this section to provide money from the general fund of the state to reimburse cities, towns and counties for the costs of providing polling places and election judges, distributing absentee ballots and providing other general administrative services necessary to conduct the elections of the various political subdivisions which are held on the local government election day. Reimbursement provided under this section is not intended to assist in the payment of any expenses incurred by any political subdivision for purposes such as preparing ballots, accepting filings of candidates, canvassing returns or defending election contests.*

Subd. 2. [DUTIES OF SECRETARY OF STATE AND ELECTION OFFICIALS.] Not later than 60 days after the local government election day the secretary of state shall transmit to the commissioner of revenue a list of all towns, cities and counties in which votes were cast at any election held on the local government election day. The list shall show the number of persons who voted in each town, city and county and the number of persons voting in unorganized territory in each county. The secretary of state shall adopt rules setting forth the method by which information required to prepare this list shall be reported by local election officials. Local election officials shall report the required information in the manner provided by the rules of the secretary of state.

Subd. 3. [PAYMENT BY COMMISSIONER OF REVENUE.] The commissioner, upon receipt of the list described in subdivision 2, shall forthwith pay to each town, city and county the sum of \$1 for each person who voted in that town, city or unorganized territory of that county, or the sum of \$100, whichever is greater and, in addition, shall pay to each county the sum of 25 cents for each person who voted in that county, or the sum of \$250, whichever is greater. The commissioner of revenue may include any sum required to be paid to a city, town, or county under this section as a separate and additional item within any payment made by the commissioner to that city, town or county pursuant to section 477A.01, subdivision 4b.

Sec. 21. Minnesota Statutes 1976, Section 204A.29, is amended to read:

204A.29 [REGISTRATION, VOTER'S CERTIFICATE.] *Subdivision 1. [FORM OF CERTIFICATE.] Wherever voters*

are registered under a permanent registration system before any person desiring to vote receives the ballots from the judges, a certificate containing the following information shall be signed by the applicant:

I hereby certify that I am permanently registered in accordance with the Minnesota Election Law and am voting only in this precinct.

(Signature of Voter)

School District No.:

(Address)

(Approved)

Judge of Election

Subd. 2. [VOTER'S CERTIFICATE, USE.] The certificate shall be approved by a judge who shall compare the signature on the voter's certificate with the signature as it appears on the duplicate registration card, and the judge shall record the fact of voting on the back of the duplicate registration card. *When the school district number is not placed on the certificate by the voter, a judge shall determine the correct school district number from information available to him and place that number on the certificate.* The certificate, having been approved, shall be handed to the voter who shall deliver it to the judge in charge of ballots as proof of his right to vote, and thereupon the judge shall hand to the voter the ballots.

Sec. 22. Minnesota Statutes 1976, Section 204A.40, Subdivision 2, is amended to read:

Subd. 2. [BALLOTS, ORDER OF CANVASS.] The ballot boxes shall be opened, the votes counted, and the results declared, one box at a time in the following order: the white box, the pink box, the canary box, the light green box, *the buff box*, and other kinds of ballots voted at the election except that if sufficient judges are available to provide counting teams of four or more judges evenly divided between the political parties for each box, an additional box or boxes may be opened and counted. The returns may not be finally prepared until the votes in all the boxes have been counted so as to allow corrections in case any errors have occurred by reason of the deposit of ballots in the wrong boxes.

Sec. 23. Minnesota Statutes 1976, Section 204A.45, Subdivision 1, is amended to read:

204A.45 [BALLOTS, DISPOSITION.] Subdivision 1. [ENVELOPES.] Except in cities of the first class and in counties having a population of 200,000 or more, after the canvass has been completed and in the presence of all the judges, the ballots cast shall be removed from the ballot boxes and placed in envelopes and sealed. Each judge shall write his name upon the envelope over the sealed part in such a way that the envelope cannot be opened without disturbing the continuity of the lines in the writing. The envelopes shall be of a heavy paper, of the same color as

the ballots to be placed therein, and of a size suitable to hold all the ballots without folding. The official charged with printing the ballots shall furnish the envelopes required in this section; provided, however, that the official charged with printing the state pink ballot shall furnish the envelopes for the state pink ballot and the state white ballot. The number of ballots in each envelope, the kind thereof, the name of the town or city, and the number of the precinct shall be plainly written upon the envelopes. *The number of the district shall be plainly written upon any envelope containing school district ballots.* The unused and spoiled ballots or returns may not be placed in the envelopes.

Sec. 24. Minnesota Statutes 1976, Section 204A.47, Subdivision 2, is amended to read:

Subd. 2. [RETURNS AND MATERIALS, DELIVERY.] Except in first class cities one of the judges in each precinct shall deliver one set of the tally book and returns, all unused and spoiled white, pink, and canary ballots, one summary statement, two election registers ; and the envelopes containing the white, pink, and canary ballots to the county auditor at his office within 24 hours after the closing of the polls. Another judge shall deliver the remaining set of the tally book and returns, all unused and spoiled municipal *and school district* ballots, the remaining summary statement, the remaining election register, the envelopes containing municipal *and school district* ballots and all other things furnished by the municipal clerk, to the municipal clerk at his office ~~within 24 hours after the closing of the polls~~ . *Delivery of ballots, returns and other materials pursuant to this subdivision shall be made immediately upon completion of the other duties of the judges as prescribed by chapter 204A. The county auditor or city clerk may permit delivery at a later time; but in no event shall the ballots, returns and other materials be delivered later than noon on the day following the election.*

Sec. 25. Minnesota Statutes 1976, Section 204A.49, is amended by adding a subdivision to read:

Subd. 3. [DISPOSITION OF SCHOOL DISTRICT RETURNS AND MATERIALS.] *The county auditor for any unorganized territory and the municipal clerk for any municipality in which a school district election is held shall deliver the summary statements of the school district election returns, all unused and spoiled school district ballots and the envelope containing the school district ballots from each precinct to the clerk of the appropriate school district within 24 hours after closing of the polls.*

Sec. 26. Minnesota Statutes 1976, Section 204A.51, Subdivision 2, is amended to read:

Subd. 2. [COUNTY CANVASS, PRIMARY ELECTION INFORMATION REQUIRED.] The board shall meet at the auditor's office at 10:00 a.m. on or before the third day after the primary election , take the oath of office, and publicly canvass the returns of the election made to the county auditor. The board shall complete the canvass of the primary preceding the local government election day within two days after the election and of

the primary before the general election, by the evening of the sixth day following the election, and it shall forthwith make the following report and file the same with the county auditor:

(a) A statement for each political party showing the names of all candidates thereof voted for at the primary election, the number of votes received by each, in each precinct and in the county, and for what office;

(b) A statement showing the names of candidates of each political party who are nominated;

(c) A statement of the total number of persons who voted at the election in the county, and in each precinct, and the number of ballots counted in each precinct, and in the county;

(d) A statement of the number of persons registering to vote on election day and the number of persons registered prior to election day; and

(e) A statement of the votes received by each of the nonpartisan candidates in each precinct in the county and the names of the nonpartisan candidates nominated. If any candidates receive an equal number of votes for the same nomination, the canvassing board shall determine the tie by lot. Upon completion of the canvass, the county auditor shall forthwith certify to the secretary of state the vote, as shown by the report of the county canvassing board, for all candidates to be voted for in more than one county, and he shall mail or deliver to each nominee who is to be voted for in his county only, a notice of his nomination and that his name will be placed upon the general election ballot.

If the difference between the votes of two or more candidates for legislative office which lies within a single county is 100 or less and the difference determines one or more nominations, the canvassing board shall recount the votes. A recount shall not delay any other part of the report of the board and shall be reported and certified as soon as possible. Time for notice of a contest of an election which is recounted shall begin to run upon completion of the recount and canvass for that office.

Sec. 27. Minnesota Statutes 1976, Section 204A.53, Subdivision 1, is amended to read:

204A.53 [STATE CANVASSING BOARD.] Subdivision 1. [MEMBERSHIP.] The secretary of state shall call to his assistance two judges of the supreme court and two judges of the district court none of whom may be candidates at the election, and the judges together with the secretary of state shall constitute the state canvassing board. The board shall meet at the office of the secretary of state on the second Tuesday after the primary and general election, except as otherwise provided for special elections. *When required to canvass any returns from the primary preceding the local government election day, the board shall meet no later than the first Tuesday after that primary.* When a vacancy in the membership of the state canvassing board occurs by reason of the failure of any judge to

attend the meeting of the board on the day appointed; the secretary of state shall fill the vacancy by selecting another disinterested judge from either court, but not more than two judges of the supreme court shall serve upon the canvassing board at any one time.

Sec. 28. Minnesota Statutes 1976, Section 206.09, is amended to read:

206.09 [BALLOT LABELS; DIAGRAMS FOR VOTING MACHINES.] *Subdivision 1. [DUTY TO PROVIDE.]* The same authorities as are charged with providing paper ballots when such are used shall be required to provide all ballots, ballot labels and ballot cards, diagrams, sample ballots, return sheets and all other necessary supplies needed for the voting machines or electronic voting systems.

Subd. 2. [STATE BALLOTS AND FORMS.] In state and county general elections At the general election the county auditor of each county in which voting machines or electronic voting systems are used shall provide all ballots, ballot labels, ballot cards, and other necessary printed forms and supplies needed for the voting machines, including all such forms needed for placing on such voting machines, all officers, candidates and constitutional amendments and other questions and propositions, the ballots for which are required by the election law to be provided by the state when paper ballots are used. The total cost of printing and providing all such forms shall be prorated by each county auditor so that paid by the state and county will pay each its proportionate share based on the total number of candidates and questions under the jurisdiction of each. The state shall pay to the county its proportionate share of such cost as herein provided, all notwithstanding any provisions of the statutes of this state notwithstanding law to the contrary.

Subd. 3. [COLORS; SIZE OF TYPE.] Except as herein otherwise provided in this section all partisan ballots (or ballot labels) shall be printed in black ink on clear white material and nonpartisan ballots on canary yellow material of such size as will fit the ballot frame of the voting machine or as will conform to the requirements of electronic voting systems where used, and in as plain clear type as the space will reasonably permit. A space of one inch or more may be used between partisan and nonpartisan ballots. Candidates' names may be set in as large type as the length of the majority of such names of all candidates on the ballot permits and the remaining candidates' names may be set in such smaller sizes or styles of type as the length of each such name requires based on the available space in the frame of the voting machine or the space available on any card, paper, booklet or pages.

Subd. 4. [PARTISAN PRIMARY; COLOR, FORM.] In primary elections where electronic voting systems are used, the ballot pages for the partisan primary ballots may be different colors or may be otherwise distinctively differentiated as between parties and all pages of the partisan primary ballot of a single party

shall be consecutive without the intervention of any pages of any other party. In a prominent place on such ballots there shall be conspicuously printed a notice stating in substance the effect of attempting to vote in more than one partisan primary. Preparation of separate ballots for use on separate marking devices, each ballot containing the partisan primary ballot of only one party, shall also be permitted. Candidates' names may be set in as large type as the length of the majority of such names of all candidates on the ballot permits and the remaining candidates' names may be set in such smaller sizes or styles of type as the length of each such name requires based upon the available space in the frame of the voting machine or upon the space available on any card, paper, booklet, or pages.

Subd. 5. [CONSTITUTIONAL QUESTIONS; PROPOSITIONS; COLORS, FORM.] Ballots (or ballot labels) for constitutional amendments or that portion of the ballot containing constitutional amendments shall be printed on material tinted pink. In a prominent place on such ballots, there shall be conspicuously printed a notice stating in substance that if a voter fails to vote on a constitutional amendment he votes, in effect, in the negative. Ballots (or ballot labels) for other questions shall be printed on material so tinted as to conform with the laws relating to paper ballots.

Subd. 6. [LOCAL GOVERNMENT ELECTION DAY; COLORS.] At the local government election day all ballots or ballot labels shall be printed on the same color as required for paper ballots of that kind and canary ballots shall appear first on the voting machine, municipal light green or light orange ballots second, and school district buff ballots third. Proposition ballots for any unit of government shall appear immediately adjacent to the candidate ballots of that unit of government as far as possible.

Subd. 7. [SAMPLE BALLOTS.] The authorities charged with the duty of providing ballots for any polling place where voting machines are used shall provide therefor at least two sample ballots which shall be arranged in the form of a diagram showing such part of the face of the voting machine as shall be in use at that election for voting for all candidates whose names are entitled to be placed on the ballot at such election and shall also show such part of the face of the voting machine as shall be in use for voting for all referendum questions, constitutional amendments, or other propositions; the proper authorities shall provide at least two sample ballots, ballot cards, or ballot labels which shall be arranged in the form of a diagram showing the ballot label containing the names of all candidates and propositions to be voted upon at that election in each polling place. Candidates' names shall not be rotated on such sample ballots but shall be arranged in alphabetical order for all offices where rotation of names on the official ballots on the voting machines is required by law. Such sample ballots shall be either in full or reduced size and shall contain suitable illustrated directions for voting on the voting machine, or for operating a marking device, or such illustrated instructions shall be provided on a separate poster, to be posted adjacent to each sam-

ple ballot. Not less than two such sample ballots shall be posted in a prominent place in the polling place and shall remain open to inspection by the voters throughout the election day.

The county auditor may use a one-inch or more space between partisan and nonpartisan ballots, but in all cases a canary yellow color shall be used as background color on the nonpartisan ballots.

Sec. 29. Minnesota Statutes 1976, Section 206.21, Subdivision 3, is amended to read:

Subd. 3. [OPENING OF MACHINES.] The voting machines shall remain locked against use for a period of at least 30 days and as much longer as may be necessary or advisable because of any existing or threatened contest over the result of the election, except that at any time, upon the order of any judge of a court having jurisdiction any voting machine may be opened and all data and figures therein examined; provided, that any voting machines used at an election may be opened ten days following such election for an election which is to be held on a day which is within 50 days after the day upon which such election is held ; provided, further, that any voting machine used at a primary election, or a general election, in a statutory city may be opened ten days following such primary election and 28 days following such general election if such opening becomes necessary in order to prepare the voting machines so used at such primary election or general election for a statutory city election which is to be held on a day which is within 30 days after the day upon which such primary or general election is held .

Sec. 30. Minnesota Statutes, 1977 Supplement, Section 207.02, is amended to read:

207.02 [VOTING BY MAIL.] Any person entitled to vote at any general election , any primary election, any city election, or any statutory city or town election in statutory cities or towns operating under the "Australian Ballot System," who is absent on the day such election is held from the precinct in which he is entitled to vote, or who by reason of illness or physical disability or because of religious discipline or observance of a religious holiday is unable to go to the polling place of such precinct, or who is employed as a judge of election in a precinct other than his own, may vote therein by having his ballot delivered to the election board of such precinct on the day of such election, either by mail or by the clerk of the municipality in which such precinct is situated as provided for in sections 207.08 and 207.101, and by complying with the provisions of this chapter. No person residing in a municipality now or hereafter having permanent registration of voters, as provided by chapter 201, shall be permitted to so vote unless he has registered as a voter in accordance with such provisions or registers on election day by enclosing a completed registration card with his ballot.

Sec. 31. Minnesota Statutes, 1977 Supplement, Section 207.03, Subdivision 1, is amended to read:

207.03 [APPLICATION FOR BALLOTS.] Subdivision 1. At any time not more than 45 days or less than one day before the day of holding any election, any person may make application in writing subscribed by him to: (a) the auditor of the county in which the applicant is a resident; (b) the full time clerk of a municipality designated by the county auditor if the applicant is a resident of that municipality; or (c) the full time clerk of a municipality which has requested designation by the county auditor if the applicant is a resident of that municipality, for ballots and envelopes, by mailing to or filing with such auditor or such clerk an application substantially in the following form:

“APPLICATION FOR BALLOTS

The undersigned, a duly qualified voter in the County of _____, State of Minnesota, and in School District No. _____, residing at _____ (here insert street and number) in said city, or town, because of (absence from home) _____, (illness) _____ (physical disability) _____, (because of religious discipline or observance of a religious holiday) hereby makes application for the ballots to be voted upon in said precinct at the next election. Please mail said ballots and accompanying envelope to me at _____ (insert post office address to which to be sent) _____

Dated _____, 19 _____

(Signature of Applicant)”

An application need not be on an official or standard form. An application submitted by mail shall be accepted if it contains the information above.

If a person applies in person for an absentee ballot and must register by enclosing a completed registration card with his ballot, his application shall not be accepted unless he shall present, at the time of his application, proof of residence as required by section 201.061, subdivision 3.

Sec. 32. Minnesota Statutes 1976, Section 207.04, is amended to read:

207.04 [COUNTY AUDITOR; MUNICIPAL CLERK TO BE SUPPLIED WITH BALLOTS.] The several officers charged by law with the preparation, printing, and distribution of ballots shall, at least 15 days before any election, print and deliver to the county auditor and to the municipal clerk a sufficient number of the ballots printed under their supervision, respectively, to enable the auditor and the municipal clerk to comply with the provisions of this chapter. ~~It shall be the duty of~~ The county auditor and the municipal clerk ~~to and the clerk of any school or hospital district shall each~~ prepare and print the ballots prepared under his direction for their respective jurisdictions at least 15 days before such election.

Sec. 33. Minnesota Statutes, 1977 Supplement, Section 207.05, Subdivision 1, is amended to read:

207.05 [APPLICATIONS FILED WITH AUDITOR OR MUNICIPAL CLERK; DELIVERY OF BALLOT.] Subdivision 1. [APPLICATION, DELIVERY.] If any application is made either in person or by mail more than 30 days before election, the auditor or the municipal clerk shall file the same and forthwith on the delivery to him of the ballots, shall mail to the applicant without charge, at the address specified in the application one each of the several ballots the applicant is entitled to vote upon at the next election; also the envelope hereinafter specified. If the application is made within 30 days of the election, he shall forthwith upon receipt of such application or as soon thereafter as ballots are available, mail, or deliver to the applicant, without charge, if he apply therefor in person, in the manner provided in section 207.03, one each of the several ballots the applicant is entitled to vote upon at the next election; also the envelopes hereinafter specified. The provisions of this subdivision shall not be construed to require mailing of absentee ballots to applicants to whom delivery by election judges is required pursuant to section 207.31. *The auditor or municipal clerk shall not be required to mail or deliver any school district ballot to any applicant if the auditor or clerk cannot determine the school district in which the applicant resides.*

Sec. 34. Minnesota Statutes 1976, Section 207.151, is amended to read:

207.151 [TOWN ELECTIONS AND LOCAL SPECIAL ELECTIONS, DUTIES OF CLERK.] In the case of ~~city elections in all cities or town elections in all towns operating under the "Australian Ballot System," held at the annual town meeting, and any special election held by any city, school district or other political subdivision at a time other than at the general election, the local government election day or the primary before either of those elections,~~ voters' applications for ballots shall be filed with the ~~city or town clerk, of the town or city in which the voter resides.~~ No fees shall be required to be paid therefor, and the duties prescribed in this chapter for the county auditor shall be performed by the city or town clerk, provided, however, that such duties may be, upon agreement, combined and performed by one of such officers. The cost of carrying out the provisions of this chapter for any such ~~city or town~~ election shall be paid by the ~~city or town~~ in *political subdivision for which the same is held.*

Sec. 35. Minnesota Statutes 1976, Section 209.02, Subdivision 1, is amended to read:

209.02 [ELECTION CONTESTS.] Subdivision 1. [CONTEST, WHO MAY INSTITUTE, GROUNDS.] Any voter, including a candidate, may contest the nomination or election of any person for whom he had the right to vote, who is declared nominated or elected to the senate or the house of representatives of the United States, to a state, county, legislative, ~~or~~ municipal, *school district*, or district court office, or *may contest* the declared result of a constitutional amendment or other question voted upon at an election by proceeding as provided in this chapter. The

contest may be brought over an irregularity in the conduct of an election or canvass of votes or on the grounds of deliberate, serious, and material violations of the provisions of the Minnesota election law.

Sec. 36. Minnesota Statutes 1976, Section 209.02, Subdivision 3, is amended to read:

Subd. 3. [NOTICE OF CONTEST, FILING, SERVICE.] The notice of contest shall be filed within seven days after the canvass is completed, except that if the contest relates to a primary election, the time for filing the notice of contest shall be limited to *five three* days. Within the same period copies thereof shall be served upon the candidate whose election is contested and upon the official authorized to issue the certificate of election. When the contest relates to a constitutional amendment or other question to be voted for statewide or to a question to be voted for in more than one county, the secretary of state shall be designated the contestee, and a copy of the notice of contest shall be served upon him within seven days, or *five three* days in the case of a primary, after the canvass is completed. When the contest relates to a question that affects a single county or a single municipality, or school district, the county auditor or the clerk of the municipality, or the clerk of the school district, as the case may be, shall be designated the contestee, and a copy of the notice of contest shall be served upon him within seven days, or *five three* days in the case of a primary, after the canvass is completed. In all cases where the contest relates to an irregularity in the conduct of the election or canvass of votes, a copy of the notice of contest shall also be served within seven days, or *five three* days in the case of a primary, after the canvass is completed upon the county auditor of the county in which the irregularity is said to have existed.

Sec. 37. Minnesota Statutes 1976, Chapter 210A, is amended by adding a section to read:

[210A.015] [EXEMPTION FOR SCHOOL DISTRICT ELECTIONS.] *Except for the provisions of sections 210A.03, 210A.05, subdivision 1, 210A.10 and 210A.11, subdivision 2, none of the provisions of chapter 210A shall apply to any school district election.*

ARTICLE IV

ORGANIC LAWS; SOIL AND WATER CONSERVATION DISTRICTS, SCHOOL DISTRICTS, PARK DISTRICTS, HOSPITAL DISTRICTS, COUNTIES, COUNTY AND MUNICIPAL COURTS, HOME RULE CHARTER CITIES

Section 1. Minnesota Statutes 1976, Section 40.05, Subdivision 1, is amended to read:

40.05 [THREE SUPERVISORS ELECTED FOR EACH DISTRICT.] Subdivision 1. Within 30 days after the date of issuance by the secretary of state of a certificate of organization of a soil and water conservation district, or such further time as the state soil and water conservation board may allow, nominating

petitions may be filed with the state soil and water conservation board nominating legal voters as candidates for election as supervisors of such district, two for terms to expire on ~~December 31~~ *the first Monday in January* following the second *general regular* election after their initial election, and one for a term to expire on ~~December 31~~ *the first Monday in January* following the third *general regular* election after their initial election. Each petition must be subscribed by one or more legal voters of the district. No person shall sign petitions nominating more than three candidates and if he does his signature shall not be counted on any petition. The state board shall give due notice of the time and place where the election of three supervisors shall be held in the district, and shall specify therein the names of all candidates and the terms for which nominated. The state board shall prepare ballots for such election with the surnames of the candidates printed thereon in alphabetical order for each term and a square before each name and a direction to insert an X mark in the square before three names with different terms to indicate the voter's choice. All legal voters shall be eligible to vote at such election. The three candidates who shall receive the highest numbers respectively of the votes cast at such election shall be the elected supervisors for the district. In case of a tie, the election shall be determined by lot, under the direction of the state board. The state board shall supervise such election, pay all the expenses thereof, prescribe the regulations governing the same, determine the eligibility of voters and publish the results.

Sec. 2. Minnesota Statutes 1976, Section 40.05, Subdivision 3, is amended to read:

Subd. 3. After December 31, 1972, and for the elections required by subdivision 2, all elections except that provided for the organization of the district, in subdivision 1, shall be held ~~at the time and place of holding the general election, as defined in section 200.02, subdivision 2 on the local government election day designated pursuant to article 1, section 2 of this act.~~ *No primary election shall be held.* Election of supervisors of the soil and water conservation district shall be by inclusion on the "canary ballot," as described in section 203A.32. Nominating petitions conforming to the rules stated in subdivision 1 shall be filed with the secretary of the soil and water conservation district ~~at least 60 days before the time of holding the general election during the time for filing prescribed by article 1, section 2, subdivision 6 of this act.~~ At least 45 40 days before the *general primary* election the district secretary shall submit the names of the candidates and the terms for which nominated to the appropriate county auditor. The ballots for use at the election shall be prepared by the county auditor. All laws relating to county elective office elections shall govern insofar as applicable. The county auditor shall certify the result to the state soil and water conservation board, and if the soil and water conservation district embraces land in more than one county the county auditor shall forthwith certify to the state soil and water conservation board the vote, as shown by the report of the county canvassing board, for all candidates voted for in more than one county. In the latter case the state soil and water

conservation board shall certify the results of the election and publish the result.

Sec. 3. Minnesota Statutes 1976, Section 40.05, Subdivision 4, is amended to read:

Subd. 4. If a vacancy except by reason of expiration of term shall occur in the office of an elected supervisor, more than ~~60 days~~ *13 weeks* before the next succeeding ~~general~~ *regular* election, the governing body of the district shall fill the vacancy by appointment; and the supervisor appointed shall hold office until ~~December 31~~ *the first Monday in January* following the next succeeding ~~general~~ *regular* election. If the term does not then expire, his successor shall be elected at the next succeeding ~~general~~ *regular* election following the appointment and hold office for the remainder of the term. If a vacancy except by reason of expiration of term shall occur in such office less than ~~60 days~~ *13 weeks* before the next succeeding ~~general~~ *regular* election, the governing body of the district shall fill the vacancy by appointment; and the supervisor shall hold office until the expiration of the term or until ~~December 31~~ *the first Monday in January* following the second succeeding ~~general~~ *regular* election, whichever is the shortest term, when his successors shall be elected and hold office for the remainder of the term.

Sec. 4. Minnesota Statutes 1976, Section 40.06, Subdivision 1, is amended to read:

40.06 [SUPERVISORS.] Subdivision 1. [MEMBERS; ELECTION, APPOINTMENT.] The governing body of the district shall consist of five supervisors, elected or appointed as herein provided in *section 40.06*. All supervisors shall be legal voters residing within the district. The two supervisors appointed by the state board upon the creation of the district as ~~hereinbefore provided~~ shall serve for terms ending on ~~December 31~~ *the first Monday in January* following the next succeeding ~~general~~ *regular* election after their appointment, and thereafter their successors shall be elected for terms of six years.

Sec. 5. Minnesota Statutes 1976, Section 122.23, Subdivision 12, is amended to read:

Subd. 12. The county auditor shall determine the date of the election, the number of boundaries of voting precincts, and the location of the polling places where voting shall be conducted, and the hours the polls will be open. He shall provide official ballots which shall be used exclusively and shall be in the following form:

For consolidation

Against consolidation

He shall appoint three election judges for each polling place who shall act as clerks of election. The county ~~may~~ *shall* pay these election judges ~~not to exceed \$1 per hour~~ *an amount fixed by the county board*. The ballots and results shall be certified to the county auditor who shall canvass and tabulate the total vote cast for and against the proposal.

Sec. 6. Minnesota Statutes 1976, Section 122.23, Subdivision 17, is amended to read:

Subd. 17. If all of the territory of one and only one independent district maintaining a secondary school is included in the new independent district, the board of that previously existing independent district shall assume the duties and responsibilities of the board of the newly organized district for the balance of the term to which the members were elected. At the next ~~annual~~ *regular* school district election the successors to the members whose terms then expire shall be elected by the legally qualified voters of the newly organized district. Thereafter, board members shall be elected according to the election procedure established for the election of board members in independent districts.

Sec. 7. Minnesota Statutes 1976, Section 122.23, Subdivision 18, is amended to read:

Subd. 18. (a) If no board is provided for under the foregoing provision, upon receipt of the assigned identification number, the county auditor shall determine a date, not less than 20 nor more than 60 days from the date of the receipt by him of the assigned identification number, upon which date shall be held a special election in the district for the purpose of electing a board of six members for terms as follows: ~~two three~~ *until July the first Monday in January following the next annual regular school district election*, ~~two~~ *until the expiration of one year from said July 1*, and ~~two~~ *until the expiration of two years from said July 1 and three* *until the first Monday in January following the second succeeding regular school district election*, to hold office until a successor is elected and qualifies according to provisions of law governing the election of board members in independent districts.

(b) The county auditor shall give ten days' posted notice of election in the area in which the election is to be held and also if there be a newspaper published in the proposed new district, one weeks' published notice shall be given. The notice shall specify the time, place and purpose of the election.

(c) The county ~~may~~ *shall* pay the election judges ~~not to exceed \$1 per hour for their services an amount fixed by the county board.~~

(d) Any person desiring to be a candidate for a school election shall file an ~~application~~ *affidavit* with the county auditor to have his name placed on the ballot for such office, specifying the term for which the ~~application~~ *affidavit* is made. The ~~application~~ *affidavit* shall be filed not less than 12 days before the election.

(e) The county auditor shall prepare, at the expense of the county, necessary ballots for the election of officers, placing thereon the names of the proposed candidates for each office. The ballots shall be marked and signed as official ballots and shall be used exclusively at the election. The county auditor shall determine the number of voting precincts and the boundaries of each. He shall determine the location of polling places and the hours the polls shall be open. He shall appoint three election judges for

each polling place who shall act as clerks of election. Election judges shall certify ballots and results to the county auditor for tabulation and canvass.

(f) Upon canvass and tabulation by the county auditor he shall issue a certificate of election to the candidate for each office who received the largest number of votes cast for the office. He shall deliver such certificate to the person entitled thereto by registered mail, and each person so certified shall file an acceptance and oath of office with the county auditor within 30 days of the date of mailing of the certificate. A person who fails to qualify prior to the time specified shall be deemed to have refused to serve, but such filing may be made at any time before action to fill vacancy has been taken.

(g) The board of each district included in the new enlarged district shall continue to maintain school therein until July 1 next following, but such boards shall have power and authority only to make such contracts and to do such things as are necessary to maintain properly the schools for the period they may be in session prior to said first day of July.

(h) It shall be the immediate duty of the newly elected board of the new enlarged district, when the members thereof have qualified and the board has been organized, to plan for the maintenance of the school or schools of the new district for the next school year and to enter into the necessary contracts for the employment of personnel, purchase of equipment and supplies, and other acquisition and betterment purposes and when authorized by the voters to issue bonds under the provisions of chapter 475; and on said July 1 to assume the full duties of the care, management and control of the new enlarged district. The board of the new enlarged district shall give due consideration to the feasibility of maintaining such existing attendance centers and of establishing such other attendance centers, especially in rural areas, as will afford equitable and efficient school administration and assure the convenience and welfare of the pupils residing in the enlarged district.

Sec. 8. Minnesota Statutes 1976, Section 122.25, Subdivision 2, is amended to read:

Subd. 2. At the annual meeting, if a majority of the votes cast on the question favors the conversion to an independent district, a board of six members shall be elected. Nominations may be made from the floor of the meeting and election shall be by secret ballot. All board members elected at this meeting shall serve for terms expiring on the ~~third Tuesday in May next~~ *first Monday in January following the next regular school district election on which date a regular annual election shall be held in the manner provided by law*. At ~~this first annual~~ *the next regular* election for independent districts, six directors shall be elected, ~~two three to hold office until July 1 following the next annual election, two to hold office until the expiration of one year from said July 1 and two to hold office until the expiration of two years from said July 1 for a term of two years and three for a term of four years~~; the time which each director shall hold office being designated on the ballot.

Sec. 9. Minnesota Statutes 1976, Section 122.26, Subdivision 4, is amended to read:

Subd. 4. Upon conversion, the district shall continue to be governed by the board until the next ~~annual~~ *regular* election for independent districts, at which election, seven board members shall be elected, three for a ~~one year term~~, two for a ~~two year term~~, and two for a ~~three year term~~, and all until successors are elected and ~~qualified~~ *term of two years and four for a term of four years*. Provided, however, that in districts which are converted and lie wholly or partly within a city of the first class, the election procedure shall be as follows:

In such districts, there shall be seven board members elected for a six-year term at the ~~same time as the municipal elections are held~~, and the terms shall commence as of the same date as for independent districts generally. All candidates for board members shall file for office in the manner provided for municipal officers and a number of candidates equal to ~~twice~~ the number of board vacancies shall be nominated at the municipal primary election. All provisions of law relating to such municipal elections shall apply to school elections *regular school district election*. In such districts, which had seven members on the board, such board shall continue to hold office until the expiration of their terms, and until their successors are elected and *qualify for new six year terms*. In such districts which had nine members on their board, the members shall continue to hold office until their successors are elected and qualify under the following procedure:

As of ~~June 30~~ *the first Monday in January*, following the first school election occurring after the conversion, the terms of office of the six members with the shortest time left to serve shall expire and there shall be elected at such school election two members for a four-year term, and two members for a six-year term, and, as of ~~June 30~~ *the first Monday in January*, following the next school election occurring thereafter, the terms of the last three members of the prior board shall expire, and three members shall be elected at such election for a six-year term.

Sec. 10. Minnesota Statutes 1976, Section 122.26, Subdivision 5, is amended to read:

Subd. 5. If a district is divided into separate election districts at the time of its conversion under this section, the board, before the election of the new board, may, by resolution, provide for election districts for the election of the new board, specifying the terms as ~~one, two, or three~~ *two or four* years, to which members from each election district (, or at large district) , shall be elected at the first election. Such election districts shall continue thereafter until changed pursuant to law. In the event the resolution is not adopted, providing for such districts, the members of the new board shall be elected at large.

Sec. 11. Minnesota Statutes 1976, Section 122.26, Subdivision 22, is amended to read:

Subd. 22. If the people of a special district located in any

county containing more than 5,000 square miles desire to change their organization to an independent district they may proceed in accordance with this subdivision.

(1) The governing body of any special district, may, and upon the filing of a petition with the clerk of the district executed by at least 200 of the qualified voters of the district shall, by resolution, order a vote to be taken on the question of such conversion at a special election called for the purpose not less than 15 nor more than 60 days from the date of the resolution. The special election notice shall specify the question to be voted on and shall be given one week's published notice and ten days' posted notice in the district.

(2) If a majority of the votes cast at the election on the question approve the proposed conversion, the clerk of the district shall forthwith certify the results to the commissioner who shall, by order, assign an identification number to the district and determine a date not later than July 1 next following the election for the effective date of the change.

(3) If the special district is governed by a board of education, such board shall continue to hold office until the next annual regular election for independent districts, to be held under the provisions of law governing annual elections, at which election seven members of the independent district shall be elected, three for a one year term, two for a two-year term and two for a three-year term until successors are elected and qualify term of two years and four for a term of four years.

(4) If a district is divided into separate election districts at the time of its conversion under this section such districts shall be continued and the board before the election of a new board shall specify the terms as one, two or three four years to which members from each district shall be elected at the first election or the board may by resolution declare that members shall be elected at large.

(5) As of the effective date of the conversion effected under this section, all special laws and charter provisions relating to the converted district are repealed and the organization, operation, maintenance and conduct of the affairs of the district shall be governed by general laws relating to independent districts.

(6) As of the date of the election, if a majority of votes cast on the question favor the conversion to an independent district, the special district is dissolved and a new independent district is created. Title to all of the property, real and personal, of the dissolved district passes to the independent district and all current outstanding contractual obligations, including the bonded indebtedness, if any, of the special district, together with any legally valid and enforceable claims against the dissolved district are imposed on the new independent district.

(7) In any municipality where an existing pension law is applicable to employees of a special district such law shall continue to be applicable to the same extent to employees of the successor district.

(8) In any municipality where existing civil service provisions of any law or charter are applicable to special district employees, such provisions shall continue to be applicable in the same manner and to the same extent to employees of the successor district.

Such districts shall contract with the cities in which located for such facilities as are furnished by the civil service bureau, and unless the board and city governing body each adopts a resolution declaring that a particular function would be most efficiently and effectively handled separately, the board shall contract on a pro rata cost basis with the city for such facilities and services as are provided by the purchasing department comptroller, legal department and other services supplied by such cities, provided, however, that the board may contract for other legal services when the interests of such district and such city are in conflict in any legal matter and provided further that such board may contract for architectural services for the planning and construction of new school buildings when funds have been made available for construction of such school buildings.

Sec. 12. Minnesota Statutes 1976, Section 123.12, Subdivision 1, is amended to read:

123.12 [BOARDS OF COMMON SCHOOL DISTRICTS.] Subdivision 1. The care, management and control of a common district is vested in a board of three members to be known as the school board. The term of office of a member shall be ~~three~~ *four* years, and until his successor qualifies. The board of each common district shall consist of a chairman, a treasurer, and a clerk. The board may by resolution establish a time and place for regular meeting and no notice of such meeting need be sent to any members of the board.

Sec. 13. Minnesota Statutes 1976, Section 123.12, Subdivision 5, is amended to read:

Subd. 5. Any other vacancy in a board shall be filled by the board at any regular meeting thereof or by a special meeting called for the purposes until such vacancy can be filled by election at the next ~~annual meeting or~~ *regular* election. Such appointment shall be evidenced by a resolution entered in the minutes. All elections to fill vacancies shall be for the unexpired term.

Sec. 14. Minnesota Statutes 1976, Section 123.32, Subdivision 9, is amended to read:

Subd. 9. Any independent district may for the purpose of the election of board members alter its organization into separate election districts by the ~~following~~ *procedure provided in subdivisions 9 to 21. Except for any part of an election district boundary which is formed by the boundary of the school district, every election district boundary established pursuant to subdivisions 9 to 21 shall follow visible, clearly recognizable physical features as defined in section 204A.06; subdivision 4, and, as far as practicable, shall follow the boundaries of city and town election precincts established pursuant to sections 204A.06 to 204A.08. The*

board shall consult with city councils and town boards before taking final action designating election district boundaries.

Sec. 15. Minnesota Statutes 1976, Section 123.32, Subdivision 13, is amended to read:

Subd. 13. The board shall designate each election district by number and by a metes and bounds description sufficient and adequate to permit identification of the geographical limits of the area.

Sec. 16. Minnesota Statutes 1976, Section 123.32, Subdivision 23, is amended to read:

Subd. 23. (1) Unless action is taken by the board under subparagraphs (2) and (3) of this subdivision, in a district which is reclassified to an independent district from a county district or a common district containing ten or more townships, by provisions of this code, the board of such district shall continue to govern the district until July 1 following the next annual election as provided for independent districts, at which election six members shall be elected at large from the district, two members for a one year term from July 1 next following the election, two members for a two year term from said July 1, and two members for a three year term from said July 1, to serve until a successor is elected and qualifies; if such district is reclassified to an independent district from a common district of ten or more townships containing less than ten schools, the board of such district shall continue to govern the district, and the members presently serving shall continue to the end of their term. At the next annual election of school board members following July 1 following the adoption of the code, two members shall be elected for a three year term and one member for a two year term each commencing on July 1 next following the election. Thereafter, members shall be elected as in independent districts.

(2) In any district which is *was* reclassified from a common district of ten or more townships to an independent district by the provisions of this code, the *regular* election of the board members may be held biennially concurrently with the general elections in the areas by resolution of the board made within 90 days of the adoption of this code. Board members presently serving shall continue in office until the expiration of the term to which they were elected. At the next general election following the adoption of the code, board members shall be elected to fill all vacancies then occurring and any vacancies caused by reclassification to an independent district. Provided that three board members shall be elected for a term of four years each and any necessary additional board members shall be elected for a term of two years each, to serve until a successor is elected and qualifies on the local government election day designated pursuant to article I, section 2 of this act. The term of members shall commence on the first Monday in January following the general regular election and shall be for four years. Thereafter, three members shall be elected at each general election for a term

of four years from the first Monday in January following the general election.

(3) If a reclassified district was a county district and if the board of such district determines, by resolution, to retain its organization providing for area representation and a five man board, a resolution affecting such organization may be adopted by the board at any time before 30 days before the next election following the effective date of this code. The resolution, if adopted, shall divide the district into five election districts coterminous with the county commissioner districts, and shall specify the terms to which members from each election district shall be elected so as to provide for a continuation of the present organizational structure of the board.

(2) In a district which is *was* reclassified to an independent school district from a county district by provisions of this code, the regular election of board members may shall be held biennially on the local government election day designated pursuant to article 1, section 2 of this act from county commissioner districts as now established concurrently with the general elections in the areas upon resolution of the board adopted at least 30 days before the election next following the effective date of this code. If such a resolution is adopted, board members presently serving shall continue in office until the expiration of the term to which they were elected to serve until a successor is elected and qualified. Thereafter, . Vacancies caused by expiration of term shall be filled at each general regular election for a term of four years from the first Monday in January following the general regular election. Districts reclassified as independent districts that were county districts shall also have the powers and duties contained in sections 128.03 to 128.06 in addition to their status as an independent district.

Sec. 17. Minnesota Statutes 1976, Section 123.33, Subdivision 1, is amended to read:

123.33 [BOARDS OF INDEPENDENT SCHOOL DISTRICTS.] Subdivision 1. The care, management, and control of independent districts shall be vested in a board of directors, to be known as the school board. The term of office of a member shall be three *four* years and until his successor qualifies. The membership of the school board shall consist of six elected directors together with such ex officio member as may be provided by law. But the board may submit to the electors at any school election the question whether the board shall consist of seven members and if a majority of those voting on the proposition favor a seven member board, a seventh member shall be elected at the next election of directors for a ~~three-year~~ *four-year* term and thereafter the board shall consist of seven members.

Sec. 18. Minnesota Statutes 1976, Section 123.33, Subdivision 4, is amended to read:

Subd. 4. Any other vacancy in a board shall be filled by the board at any regular or special meeting thereof. Such appointment shall be evidenced by a resolution entered in the minutes . *When*

such a vacancy occurs more than 14 weeks before the regular school district election next succeeding the election of the member whose office has become vacant, an appointment to fill the vacancy shall continue until the first Monday in January of the next even numbered year and the remainder of the unexpired term shall be filled by a special election at the regular election. In the case of any other vacancy filled under this subdivision, the appointment and shall continue until July 1 next following such appointment. All elections to fill vacancies shall be for the remainder of the unexpired term. A candidate to fill a vacancy at a special election shall not run at large but shall file and appear on the ballot as a candidate "to fill the vacancy created (the date the vacancy occurred, for the term expiring"

Sec. 19. Minnesota Statutes 1976, Section 123.34, Subdivision 1, is amended to read:

123.34 [OFFICERS OF INDEPENDENT SCHOOL DISTRICTS.] Subdivision 1. Within ten days after the election of the first board in independent districts and annually thereafter on July 1 the first Monday in January , or as soon thereafter as practicable, the board shall meet and organize by selecting a chairman, clerk, and a treasurer, who shall hold their offices for one year and until their successors are selected and qualify. The persons who perform the duties of the clerk and treasurer need not be members of the board and the board by resolution may combine the duties of the offices of clerk and treasurer in a single person in the office of business affairs. They may appoint a superintendent who shall be ex officio a member of the board, but not entitled to vote therein. In districts in which board members are elected at the general election in November, the annual meeting of the board shall be held on the first Monday of January or as soon thereafter as practicable.

Sec. 20. Minnesota Statutes 1976, Section 123.351, Subdivision 1, is amended to read:

123.351 [COOPERATIVE CENTERS FOR VOCATIONAL EDUCATION.] Subdivision 1. [ESTABLISHMENT.] Two or more independent school districts may enter into an agreement to establish a cooperative center to provide for vocational education and other educational services upon the vote of a majority of the full membership of each of the boards of the districts entering into the agreement. When a resolution approving this action has been adopted by the board of a district, the resolution shall be published once in a newspaper of general circulation in the district. If a petition for referendum on the question of the district entering into the agreement, containing signatures of qualified voters of the district equal to five percent of the number of voters at the last annual regular school election, is filed with the clerk of the board within 60 days after publication of the resolution, the board shall not enter into the agreement until the question has been submitted to the voters of the district at a special election. This election shall be conducted and canvassed in accordance with section 123.32 the same manner as the regular election of officers of independent school districts . If a majority of the total number of

votes cast on the question within the district is in favor of the proposition, the board may thereupon enter into an agreement to establish the center for purposes herein described in section 123.351.

Sec. 21. Minnesota Statutes 1976, Section 123.351, Subdivision 3, is amended to read:

Subd. 3. [GOVERNING BOARD.] (a) The center shall be operated by a center board of not less than five members which shall consist of members from school boards of each of the participating school districts within the center, appointed by their respective school boards. Each participating school district shall have at least one member on the board. The board shall choose an administrative officer to administer board policy and directives who shall serve as an ex officio member of the board but shall not have a vote.

(b) The terms of office of the first members of the board shall be determined by lot as follows: ~~one third one half~~ of the members for ~~one year, one third for two years, and the remainder for three~~ *four* years, all terms to expire on ~~June 30 the first Monday in January~~ of the appropriate *even numbered* year; provided that if the number of members is not evenly divisible by ~~three two~~, the membership will be as evenly distributed as possible among ~~one, two and three~~ *four* year terms with the remaining members serving the ~~three year~~ term. Thereafter the terms shall be for ~~three~~ *four* years commencing on ~~July 1 the first Monday in January~~ of each *the even numbered* year. If a vacancy occurs on the center board, it shall be filled by the appropriate school board within 90 days. A person appointed to the center board shall qualify as a board member by filing with the chairman a written certificate of appointment from his school board.

(c) The first meeting of a center board shall be at a time mutually agreed upon by board members. At this meeting, the center board shall choose its officers and conduct any other necessary organizational business. Thereafter the center board shall meet on the first of July of each year or as soon thereafter as practicable pursuant to notice sent to all center board members by the chief executive officer of the center.

(d) The officers of the center board shall be a chairman, vice chairman, clerk and treasurer, no two of whom when possible shall be from the same school district. The chairman shall preside at all meetings of the center board except in his absence the vice chairman shall preside. The clerk shall keep a complete record of the minutes of each meeting and the treasurer shall be the custodian of the funds of the center. Insofar as applicable, sections 123.33 and 123.34, shall apply to the board and officers of the center.

(e) Each participating school district shall have equal voting power with at least one vote. A majority of the center board shall be a quorum. Any motion other than adjournment shall pass only upon receiving a majority of the votes of the entire center board.

Sec. 22. Minnesota Statutes 1976, Section 123.51, is amended to read:

123.51 [SPECIAL SCHOOL DISTRICTS, LAWS APPLICABLE.] Special districts as now organized shall continue to operate under the special legislation and charter provisions governing them until conversion to independent districts. The provisions of Laws 1957, Chapter 947, relating to independent districts shall apply to and govern each special district unless the special laws and charter provisions governing the special district provide for the matter, in which case the special laws and charter provisions relating to the special district shall apply and control. *The provisions of article I, section 2, article II, sections 11 to 15 and article V, section 1 of this act shall control and shall supersede inconsistent provisions of special laws or charters in the matter of school district elections in special districts.*

Sec. 23. Minnesota Statutes 1976, Section 128.01, is amended to read:

128.01 [COUNTY SCHOOL BOARD; ELECTIONS; TERMS.] The school board of any such county district shall consist of five members, to be elected at the same time and in the same manner as board members in a ~~ten or more townships~~ *an independent school* district, but for a term of four years. The board of county commissioners shall appoint the members of such board within 60 days following the election at which time the question of consolidation was submitted, the length of each term for which they are to be appointed being such as to cause the term of three members of the board to expire on the ~~Sunday preceding the~~ first Monday in January following the next ~~general regular~~ election and the term for two members to expire two years from the ~~Sunday preceding the~~ first Monday in January following the next ~~general regular~~ election. The provisions of Laws 1949, Chapter 268, shall not affect the terms of the school boards of county districts now organized. The school board of the county district shall meet within ten days after the appointment by the county board, and thereafter as may be necessary, and organize in the same manner as independent districts and do whatever business is necessary for the best interest of the county district for the ensuing school year and thereafter shall organize at the same time as boards of county commissioners.

Sec. 24. Minnesota Statutes 1976, Section 365.51, is amended to read:

365.51 [ANNUAL TOWN MEETING; PRECINCTS; POLLING PLACES.] *Subdivision 1.* [ANNUAL MEETING.] There shall be an annual town meeting held in each town on the second Tuesday of March at the place of holding the last town meeting, or at such other place in the town, or county or in an adjoining town or city in an adjoining county, designated by the annual town meeting, and if no designation is so made the same shall then be made by the town board. The clerk shall give ten days' published notice in a qualified newspaper having general circulation within the town, or by posted notice, or both, as

the voters at the annual town meeting may direct, specifying the time and place, but if the town meeting shall fail to direct the manner of giving such notice, the town board shall direct the manner of giving notice. *Except as provided in subdivision 2, all town officers required by law to be elected shall be chosen thereat, and such other business done as is by law required or permitted by law shall be done at the annual meeting.* The town board may, with respect to an election by ballot at the annual town meeting for the purpose of selecting town officers or of determining any matter of town business, provide for the casting of ballots in precincts and at polling places. Such precincts and polling places shall be designated by the board in the manner prescribed by sections 204A.06 and 204A.09.

Subd. 2. [OPTION TO HOLD TOWN ELECTIONS ON LOCAL GOVERNMENT ELECTION DAY.] Any town, by the vote of a majority of those voting at an annual or special meeting, may exercise the option to hold elections for town officers on the local government election day designated pursuant to article 1, section 2, of this act. This option may only be exercised with respect to future town elections and may not be exercised to postpone any election scheduled to be held at the meeting at which the option is voted upon. Any town exercising the option to hold its election on the local government election day shall comply with all of the provisions of article 1, section 2, of this act with respect to all future regular elections of town officers until a majority of those voting at an annual or special meeting vote to rescind that option. Town officers elected on the local government election day shall take office at the annual town meeting next succeeding their election.

Sec. 25. Minnesota Statutes 1976, Section 375.025, Subdivision 4, is amended to read:

Subd. 4. [REDISTRICTING PLAN; ELECTION FOLLOWING REDISTRICTING.] A redistricting plan whether prepared by the county board or the redistricting commission shall be filed in the office of the county auditor. Notice that the plan is on file shall be published in the newspaper having the contract for publishing the commissioners' proceedings for the current year. A redistricting plan shall be effective on the 31st day after publication of the notice unless a later effective date is specified; provided, no redistricting plan shall be effective as to the next election of county commissioners unless the plan shall have been filed with the county auditor not less than 30 days before the first date candidates may file for the office of county commissioner. One commissioner shall be elected in each district who, at the time of the election, shall be a resident thereof and the person so elected shall be entitled to hold the office only while he remains a resident of the commissioner district. The county board or the redistricting commission as appropriate shall determine the number of members of the county board who shall be elected for two year terms and for four year terms in order to provide for staggered terms on the county board. Thereafter, all commissioners shall be elected for four years. When a county

is redistricted, there shall be a new election of commissioners in all the districts of the county at the next *general regular* election except that where the change made in the boundaries of a district is less than 10 percent of the average of all districts of the county, the commissioner in office at the time of the redistricting shall serve for the full period for which he was elected.

Sec. 26. Minnesota Statutes 1976, Section 375.03, is amended to read:

375.03 [TERM OF COMMISSIONERS.] In each new county, and in each county which shall be entitled to an increase of the number of commissioners, there shall be elected at the next *general regular* election a commissioner from each odd-numbered district for a term of two years, and one from each even-numbered district for a term of four years; and thereafter all commissioners shall be elected for a term of four years, except that elections to fill vacancies shall be for the unexpired term only. In counties having a population of more than 150,000, every such commissioner, before he enters upon his duties, shall give bond to the state in the sum of \$10,000, with a legally authorized surety company as surety, conditioned for the faithful performance of his official duties. Such bond shall be approved by a judge of the district court, and together with his oath of office and certificate of election, be filed with the county recorder. The premium on the bond shall not exceed that prescribed by law for county treasurers, and shall be paid by the county.

Sec. 27. Minnesota Statutes 1976, Section 375.101, Subdivision 2, is amended to read:

Subd. 2. If the vacancy occurs less than 60 days before the *general regular* election preceding the end of the term, the vacancy shall be filled by the person elected at that election for the ensuing term who shall take office immediately after receiving the certificate of election and upon filing the bond and oath of office.

Sec. 28. Minnesota Statutes 1976, Section 375A.02, Subdivision 1, is amended to read:

375A.02 [ELECTED EXECUTIVE PLAN.] Subdivision 1. [COUNTY EXECUTIVE.] In a county adopting the elected executive plan, the chief executive officer shall be known as county executive. The first county executive shall be elected at the ~~county~~ *general regular* election following the adoption of the elected executive plan and every four years thereafter. He shall hold office for a term of four years commencing on the first Monday of January following his election. Only a voter of a county shall be eligible for election as county executive. He shall be nominated and elected by all the voters of the county in the manner provided by law for the election of county officers. In case the office of county executive is or becomes vacant by reason of death, resignation or removal, it shall be filled by the board of county commissioners for the unexpired term.

Sec. 29. Minnesota Statutes 1976, Section 375A.09, Subdivision 4, is amended to read:

Subd. 4. [DISTRICTS; NOMINATION.] The county shall be divided into the number of districts from which commissioners are nominated and elected and the population of the county shall be apportioned to the several districts so that each commissioner represents the same number of persons as nearly as may be possible. When the number of commissioners has been changed, the county board shall proceed to redistrict the county accordingly and it shall follow as nearly as possible the times and procedures specified in section 375.025, including determining the two year and four year terms first assigned to districts in order to provide as nearly as possible for an equal number of overlapping four year terms in the future. The resolution redistricting the county shall be adopted not less than 30 days before the first day candidates may file for the office of county commissioner. Commissioners to be elected pursuant to the modification of the county board shall be elected at the *general regular* election following the adoption of the modification.

Sec. 30. Minnesota Statutes 1976, Section 382.01, is amended to read:

382.01 [OFFICERS ELECTED; TERMS.] ~~In every county in this state there shall be elected at the general election in 1919 a~~ *The regular election of the county auditor, a county treasurer, sheriff, county recorder, county attorney, and coroner and county superintendent of schools shall be held on the local government election day designated pursuant to article 1, section 2 of this act.*

The terms of office of these officers shall be four years and shall begin on the first Monday in January next succeeding their election. They shall hold office until their successors are elected and qualified. These offices shall be filled by election every four years thereafter.

Sec. 31. Minnesota Statutes 1976, Section 389.011, Subdivision 2, is amended to read:

Subd. 2. [ELECTION, TERM, APPOINTMENT, TERMINATION OF OFFICE.] (1) In any county having less than 200,000 inhabitants and in which the office is vacant by reason of no person having been elected and qualified for the position, the board of county commissioners may by resolution duly adopted at least six months before the end of the term of office of the county surveyor, declare the office terminated. If such resolution is adopted no person shall be elected or appointed to the office of county surveyor so long as such resolution remains in effect. The county board by resolution adopted at least six months before the date of any *general regular* election may rescind its action terminating the office. Such resolution rescinding its action terminating the office shall state whether the office shall be filled henceforth by election or by appointment.

If the resolution does not state that the office shall be filled by appointment the county surveyor shall be elected at the next *general regular* election according to law. If the office of county surveyor is to be filled by appointment the board of county com-

missioners shall within 30 days of said resolution appoint a land surveyor to such office.

In the resolution terminating the office the board of county commissioners may designate a land surveyor who shall perform all professional duties of a county surveyor as provided by law. As to any duties of a county surveyor which are not of a professional nature said duties shall be performed by the county engineer.

(2) In any county in which the office of county surveyor has not been abolished by law the board of county commissioners may by resolution duly adopted at least six months before the end of the term of the office of county surveyor declare its intention to fill the office by appointment. Having adopted such a resolution the board of county commissioners shall fill the office of county surveyor by appointment of a land surveyor to the office not less than 30 days before the end of the term of office of the incumbent. When so appointed the county surveyor shall serve for such term as determined by the board commencing upon the expiration of the term of the incumbent but not to exceed four years.

(3) In any county wherein the office of county surveyor has not been terminated or made appointive under the provisions of this section or abolished under other provisions of law, there shall be elected a county surveyor in the manner provided by law. The term of office of the county surveyor shall be four years and until his successor is elected and qualified, and begin on the first day of January next succeeding his election.

(4) If the office of county surveyor is vacant by reason of no qualified person having been elected to the office or the board of county commissioners having failed to appoint a person to the office or is otherwise vacant or if the office has been terminated and no land surveyor has been designated to perform the professional duties of the office and there are duties which prior to January 1, 1961, had been the responsibility of the county surveyor the officer requiring such duties to be performed may retain a land surveyor to perform such duties at the compensation set by the county board.

Sec. 32. Minnesota Statutes 1976, Section 397.06, is amended to read:

397.06 [DISTRICT HOSPITAL BOARDS.] The board or boards of county commissioners may also authorize and direct the construction and equipment of a district hospital in any such district, to be constructed, equipped and operated under the supervision of a district hospital board comprising one member from each city and town in the district elected by the voters at the ~~respective regular local elections thereof~~ *election held on the local government election day designated pursuant to article I, section 2 of this act* for a term of ~~three~~ *four* years or until his successor has been elected and has qualified, commencing on the first day of ~~April~~ *Monday in January* next following the election. When the district is first created, the governing body of each such city and

town shall appoint a member of the board to serve until the commencement of the term of his successor. Thereafter whenever a vacancy occurs, the governing body of the city or town affected shall appoint a member to serve until ~~April~~ *the first Monday in January* following the next ~~regular municipal or town local government~~ *election day*, when his successor shall be elected for a full ~~three~~ *four* year term. *Procedures for election of board members shall be as provided in article II, section 18 of this act.*

Sec. 33. Minnesota Statutes 1976, Section 397.07, is amended to read:

397.07 [ANNUAL MEETINGS OF BOARDS.] The annual meetings of the hospital board shall be in ~~April~~ *January* of each year, at which time the members shall elect from among themselves a chairman and a clerk for a term of one year.

Sec. 34. Minnesota Statutes 1976, Section 398.04, is amended to read:

398.04 [ELECTION OF COMMISSIONERS.] Except in the case of the first boards and when vacancies occur before the expiration of a term, park district commissioners shall be elected without party designation at the same time and in the same manner as county commissioners. In single county park districts the three commissioners at large shall be elected by all the qualified voters in the park district while the successors in office to the four commissioners representing the four election districts, whether appointed, candidates for election or elected, must reside when appointed or elected and while serving, in the election district which they represent and shall be elected by the qualified voters residing in such district. Park district commissioners shall be elected for terms of four years or until their respective successors are elected and qualify, except where a commissioner is being elected to finish out an unexpired term when election shall be for the balance of such term. Vacancies resulting from the death, resignation or removal of a commissioner shall be filled by appointment by the board of county commissioners, such appointment to be effective only until the first Monday in January following the next ~~general~~ *regular* election or until a successor has been elected and qualifies for office. The four commissioners representing the election districts shall be elected at the first primary and ~~general~~ *regular* elections after the activation of the district and each four years thereafter and the commissioners elected at large shall be elected at the second primary and ~~general~~ *regular* election after such activation and each four years thereafter. The terms of elected commissioners shall commence on the first Monday in January following their election.

Sec. 35. Minnesota Statutes 1976, Section 410.21, is amended to read:

410.21 [APPLICATION OF GENERAL ELECTION LAWS.] *Except as provided otherwise in article I, section 2 and article V, section 1 of this act, the provisions of any charter of any such city adopted pursuant to this chapter shall be valid and shall*

control as to nominations, primary elections, and elections for municipal offices, notwithstanding that such charter provisions may be inconsistent with any general law relating thereto, and such general laws shall apply only in so far as consistent with such charter.

Sec. 36. Minnesota Statutes 1976, Section 412.02, Subdivision 2, is amended to read:

Subd. 2. Terms of elective officers shall commence on the first business day *Monday* of January following the election at which the officer is chosen. All officers chosen and qualified as such shall hold office until their successors qualify. Vacancies in office shall be filled for the remainder of the term by the council. In case of a tie vote on such appointments the mayor shall fill the vacancy by appointment for the unexpired term.

Sec. 37. Minnesota Statutes 1976, Section 412.021, Subdivision 2, is amended to read:

Subd. 2. [OFFICERS TO BE ELECTED.] There shall be elected at such election a mayor and, where otherwise permitted by law, a justice of the peace, each for a term expiring the first business day of *Monday* in January of the next ~~odd-numbered~~ *even-numbered* year; and four councilmen, for terms so arranged that two expire the first business day of *Monday* in January of the next ~~odd-numbered~~ *even-numbered* year and two the first business day of *Monday* in January of the second ~~odd-numbered~~ *even-numbered* year. No candidate for councilman shall run for a particular term but the number of years in the term of each successful candidate shall be determined by his relative standing among the candidates for office, the longest terms going to the two candidates receiving the highest number of votes. If the election occurs in the last four months of the ~~even-numbered~~ *odd-numbered* year, no election shall be held in the city on the annual city election day that year, and the next following year shall be disregarded in fixing the expiration of terms of officers chosen under this subdivision at the initial election.

Sec. 38. Minnesota Statutes 1976, Section 412.571, Subdivision 5, is amended to read:

Subd. 5. [ABANDONMENT; INCUMBENT CLERK AND TREASURER TRANSITION.] When any optional plan is abandoned and the standard form of city government is resumed, the office of clerk, or clerk-treasurer shall remain appointive until the first business day of *Monday* in January following the next regular city election and the office of treasurer, if there is no clerk-treasurer, shall remain appointive until the first business day of *Monday* in January following the first subsequent city election at which the clerk is not elected; and the successor to the incumbent clerk, clerk-treasurer, and treasurer shall be chosen at the regular city election immediately preceding the January in which the office becomes elective.

Sec. 39. Minnesota Statutes 1976, Section 447.32, Subdivision 1, is amended to read:

447.32 [OFFICERS AND ELECTIONS.] Subdivision 1. Each hospital district shall be governed by a hospital board composed of one member elected from each city and town comprising said district and one member elected at large. The term of office of each member of the hospital board shall be four years and until his successor qualifies, except that at the first election members shall be elected for terms to be designated by the governing body calling the election, in such manner that one-half of the terms as nearly as may be, shall expire on ~~December 31~~ *the first Monday in January* of the then next following even numbered year and the remaining terms will expire two years from said date; and thereafter, prior to the expiration of the term of each member, a new member shall be elected for a term of four years from said expiration date. Upon the death, resignation, or removal of any member from the hospital district, or upon his failure to qualify, a successor may be appointed by a majority of the remaining members of the board, to hold office until ~~December 31~~ *the first Monday in January* following the next regular hospital district election, at which election a successor shall be elected to fill the unexpired term. Upon annexation of any additional city or town to the district, in accordance with section 447.36, its governing body shall by resolution appoint a member to the board, to hold office until ~~December 31~~ *the first Monday in January* following the next regular hospital district election, at which election a successor shall be elected for a term of either two or four years, to be designated by the hospital board in such manner as to assure that the number of members of the board whose terms expire in any subsequent year will not exceed one-half of the members plus one.

Sec. 40. Minnesota Statutes 1976, Section 447.32, Subdivision 2, is amended to read:

Subd. 2. *The regular elections election of hospital board members shall be held in each hospital district at the same time and in the same election precincts and at the same polling places as general elections of state and county officers, except that the hospital board may by resolution fix a date, not later than December 7 immediately preceding the expiration of board members' terms, and may establish the whole district as a single election precinct or may establish two or more different election precincts and polling places for such elections; in which event the boundaries of the election precincts and the locations of the polling places shall be defined in the notice of election, either in full or by reference to a description or map on file in the office of the clerk of the local government election day designated pursuant to article I, section 2 of this act. Procedures for election of board members shall be as provided in article II, section 18 of this act . Special elections may be called by the hospital board at any time to vote on any matter required by law to be submitted to the electors ; and such elections shall be held within the election precinct or precincts and at the polling place or places designated by the board or, in the case of the first election of officers of a new district, by the governing body of the most populous city or town included in the district . The procedure for a special election shall be the same as for the regular election except that the hospital board shall pay all*

expenses of a special election . Advisory ballots may be submitted by the hospital board on any question which it may desire, relating to the affairs of the district, but only at a regular election or at a special election required to be held for another purpose.

Sec. 41. Minnesota Statutes 1976, Section 487.03, Subdivision 2, is amended to read:

Subd. 2. [ELECTION.] Each judge shall be elected at the general *regular* election for a term of six years, beginning on the first Monday of the January next following his election and until his successor qualifies. No person shall be a candidate for more than one county court judgeship at any election.

In any election following reduction of the number of county court judges pursuant to section 487.01, subdivision 7 the requirement contained in section 202A.22, subdivision 3 that a candidate for office of judge state the office for which he is a candidate shall not apply. In such a situation all parties filing for office of judge shall run against each other for the remaining seats. However, each candidate who otherwise would have qualified to have the word "incumbent" printed after his name on the ballot pursuant to section 203A.12, subdivision 6 shall retain this right.

Sec. 42. Minnesota Statutes 1976, Section 487.03, Subdivision 5, is amended to read:

Subd. 5. [VACANCY.] Whenever there is a vacancy in the office of judge, the governor shall appoint a qualified person to fill the vacancy, to hold office until his successor is elected and qualified. The successor shall be elected for a six year term at the next general *regular* election occurring more than one year after such appointment.

Sec. 43. Minnesota Statutes 1976, Section 488A.021, Subdivision 3 is amended to read:

Subd. 3. [TERM; VACANCIES; APPOINTMENTS AND ELECTION.] (a) Each elected judge holds office for six years beginning the first Monday in January next succeeding his election.

(b) Whenever there is a vacancy in the office of judge, the governor shall appoint a qualified person to fill the vacancy, to hold office until his successor is elected and qualified. The successor shall be elected for a six year term at the next general *regular* election occurring more than one year after such appointment.

(c) At the general *regular* election immediately preceding the expiration of his term, the qualified voters of the county of Hennepin shall elect the successor to any elected or appointed judge.

(d) Each judge holds a separate nonpartisan office.

(e) When one or more judges of the court are to be nominated or elected at an election, the notice of election shall state the name

of each judge whose successor is to be nominated or elected. The official ballot shall contain the names of all candidates for each such office, state the number of judges to be elected and the number of candidates for whom an elector may vote, and designate each candidacy as "For the office of Judge of the Municipal Court of the county of Hennepin to which (name of judge) was elected for the regular term", or: "For the office of Judge of the Municipal Court of the county of Hennepin to which (name of judge) was appointed," as the case may be. The official ballots shall show in the spaces for the purpose the name of the judge whose successor is to be elected. When any judge is a candidate to succeed himself, the word "incumbent" shall be printed after his name where it appears among the names of the candidates for the office. When voting machines are used and such statements cannot be inserted in full, the designation shall be "Successor to (name of judge) (elected)", or "Successor to (name of judge) (appointed)", as the case may be.

(f) Each person desiring to have his name placed upon the primary ballot as a candidate for judge shall state in his affidavit of candidacy the office of the particular judge for which he is a candidate. The filing of this affidavit with the county auditor and a compliance with all other requirements constitutes such person a candidate for that office, and for that office only. No person shall at any election be a candidate for more than one such office.

Sec. 44. Minnesota Statutes 1976, Section 488A.19, Subdivision 3, is amended to read:

Subd. 3. [TERM; VACANCIES; APPOINTMENTS AND ELECTION.] (a) Each elected judge holds office for six years beginning the first Monday in January next succeeding his election.

(b) Whenever there is a vacancy in the office of judge the governor shall appoint a qualified person to fill the vacancy, to hold office until his successor is elected and qualified. The successor shall be elected for a six-year term at the next *general regular* election occurring more than one year after such appointment.

(c) At the *general regular* election immediately preceding the expiration of his term the qualified voters of the county of Ramsey shall elect the successor to any elected judge.

(d) Each judge holds a separate nonpartisan office.

(e) When one or more judges of the court are to be nominated or elected at an election, the notice of election shall state the name of each judge whose successor is to be nominated or elected. The official ballot shall contain the names of all candidates for each such office, state the number of judges to be elected and the number of candidates for whom an elector may vote, and designate each candidacy as "For the office of Judge of the Municipal Court of the county of Ramsey to which (Name of Judge) was elected for the regular term," or "For the office of

Judge of the Municipal Court of the county of Ramsey to which (Name of Judge) was appointed," as the case may be. The official ballots shall show in the spaces for the purpose the name of the judge whose successor is to be elected. When any judge is a candidate to succeed himself, the word "incumbent" shall be printed after his name where it appears among the names of the candidates for the office. When voting machines are used and such statements cannot be inserted in full, the designation shall be "Successor to (Name of Judge) (elected)", or "Successor to (Name of Judge) (appointed)", as the case may be.
shall be September 25, 1979.

affidavit of candidacy the office of the particular judge for which he is a candidate. The filing of this affidavit with the county auditor and a compliance with all other requirements constitutes such person a candidate for that office, and for that office only. No person shall at any election be a candidate for more than one such office.

CAL GOVERNMENT ELECTION DAY.] *No regular election of any of the officers described in article I, section 2, subdivision 2, of this act shall be held after August 1, 1978, unless it is held on the local government election day and in accordance with the provisions of this act. The first local government election day*

(f) Each person desiring to have his name placed upon the primary ballot as a candidate for judge shall state in his *shall be November 6, 1979. The first primary to select candidates for the offices to be filled on the local government election day*

ELECTION PROHIBITED ON OTHER DAYS; FIRST LO-

ARTICLE V

OTHER PROVISIONS

Section 1. [205.012.] [LOCAL GOVERNMENT ELECTION DAY; IMPLEMENTATION.] *Subdivision 1. [REGULAR*

Subd. 2. [TERMS EXTENDED.] (a) The terms of all county officers that would otherwise expire on the first Monday of January in 1979 and 1981 are extended until the first Monday of January in 1980 and 1982 respectively.

(b) The terms of all elective statutory city officers that would otherwise expire on the first business day of January in 1979 or 1980 shall instead expire on the first Monday of January in 1980. The terms of statutory city officers that would otherwise expire on the first business day of January in 1981 shall instead expire on the first Monday of January in 1982.

(c) The terms of all independent school district board members which would otherwise expire on July 1, 1979 shall instead expire on the first Monday of January of 1980; terms of members which otherwise expire July 1, 1980, shall instead expire on the first Monday of January in 1980; and the terms of members which otherwise would expire July 1, 1981 shall instead expire on the first Monday of January in 1982.

(d) The governing body of any home rule charter city by ordinance adopted prior to December 1, 1978, may extend or reduce the term of any elective city officer whose term ends on a different date to the first Monday of January of an even numbered year. The governing body shall, in any such ordinance, designate a new term of an even number of years for any officer who would otherwise be elected to a term of an odd number of years and may designate a new term of four years for any officer who would otherwise be elected for a term of two years.

For any home rule charter city that does not adopt an ordinance as provided in this subdivision prior to December 1, 1978, the terms of elective city officers shall be extended or shortened automatically, effective December 1, 1978, as follows:

(i) The term of any officer which ends on a date other than the first Monday in January of an even numbered year shall be extended to the first Monday in January of the even numbered year first following the date the term would otherwise expire unless this extension would be more than 13 months. If the extension would be more than 13 months, the term shall be shortened to the first Monday in January of the even numbered year first preceding the date the term would otherwise expire; and

(ii) Every term of an odd number of years to which any officer would otherwise be elected shall be changed to a term of an even number of years, one year longer than the term otherwise provided.

(e) The term of any elective officer of any political subdivision required to hold the regular election of its officers on the local government election day which term is not extended or reduced under clauses (a) to (d) and which ends on a date different from the first Monday in January of an even numbered year is extended or reduced as provided in clause (d) (i), effective August 1, 1978. Every term of an odd number of years to which any officer of any such political subdivision may otherwise be elected, which term is not changed under clauses (a) to (d), is changed to a term of an even number of years one year longer than would otherwise be provided.

Subd. 3. [MODIFICATIONS PERMITTED FOR STAGGERED TERMS.] The governing body of any political subdivision required to hold its regular election on the local government election day except a county may provide, by ordinance or resolution adopted at least 14 days before the opening of filings for any affected office, that members of an elected body or other officers of the subdivision may be elected for a different term than is otherwise provided, in order to achieve staggered terms for the members of that body or other officers. With respect to the members of an elected body, any ordinance or resolution adopted pursuant to this subdivision shall provide that, to the extent mathematically possible, the same number of persons is chosen at each election, exclusive of those chosen to fill vacancies for the unexpired terms. This subdivision expires August 1, 1981.

Subd. 4. [PURPOSE.] It is the purpose and intent of this section to implement the provisions of article I, section 2, of this act, by requiring the adjustment of terms, postponement of certain elections and other procedures. To the extent inconsistent with this intent all general and special laws and municipal charter provisions providing otherwise are superseded. In all other respects, those laws and charter provisions shall continue in full force and effect.

Sec. 2. [REVISOR'S INSTRUCTION.] The revisor of statutes shall examine Minnesota Statutes to determine whether any coded sections of law have been superseded by this act and prepare appropriate amendments of coded sections in revisor's bills submitted in 1979 and thereafter.

Sec. 3. [APPROPRIATION.] The sum of \$..... is appropriated from the general fund to the secretary of state to carry out the duties prescribed by article II, section 17 of this act. This appropriation shall not lapse but shall be available for expenditure until June 30, 1979.

Sec. 4. [REPEALER.] Minnesota Statutes 1976, Sections 123.015; 123.11, Subdivisions 2, 3, 4, 5 and 6; 123.32, Subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 11, 22, 24, 25, 26 and 27; 201.33; 205.02; 205.03; 205.07; 205.11; 205.18; 205.19; 205.20; 206.18; and 447.32, Subdivisions 3 and 4, are repealed.

Sec. 5. [EFFECTIVE DATE.] Article II, Section 17; Article III, Sections 7, 8, 9, 16 and 17, Article IV, Sections 11 and 12 and Article V, Sections 2 and 3, are effective the day following final enactment. Article V, Section 1, Subdivision 2, Clause (a), is effective July 1, 1978. All other sections of this act are effective August 1, 1978."

Amend the title as follows:

Page 1, line 19, after "1;" insert "122.23, Subdivisions 12, 17, and 18; 122.25, Subdivision 2; 122.26, Subdivisions 4, 5, and 22;"

Page 1, line 24, strike "Subdivision 1, and"

Page 1, line 25, after "subdivision;" insert "202A.26, Subdivision 1;"

Page 1, line 25, after "203A.17;" insert "203A.31, Subdivision 1;" and strike the comma at the end of the line and insert a semicolon

Page 1, strike line 26 and insert "204A.05, Subdivision 1; 204A.06, by adding a subdivision; 204A.09,"

Page 1, line 28, after "subdivision;" insert "204A.29;"

Page 1, line 30, after "subdivision;" insert "204A.51, Subdivision 2; 204A.53, Subdivision 1;"

Page 1, line 31, strike "207.02;"

Page 1, line 32, strike "207.03;" and insert "206.09, 206.21, Subdivision 3;"

Page 1, line 33, after "3;" insert "365.51;"

Page 1, after line 40, insert "amending Minnesota Statutes, 1977 Supplement, Sections 201.071, Subdivisions 1 and 3; 207.02; 207.03, Subdivision 1; 207.05, Subdivision 1;"

Page 2, line 5, after "205.20;" insert "206.18;"

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

Pursuant to Rule 60, a roll call was taken on the recommendation to pass S. F. No. 350.

There were yeas 5 and nays 4 as follows:

Those who voted in the affirmative were: Messrs. Gearty; Coleman; Johnson; Keefe, S. and Schaaf.

Those who voted in the negative were: Messrs. Jensen, Pillsbury, Schmitz and Ueland, A.

The bill passed the committee and was re-referred to the Committee on Finance.

Mr. Gearty from the Committee on Elections, to which was referred

H. F. No. 1500: A bill for an act relating to elections; vacancy in office of senator in congress; providing for special election to fill a vacancy; amending Minnesota Statutes 1976, Section 202A-72.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Chapter 202A, is amended by adding a section to read:

[202A.721] [UNITED STATES SENATE VACANCY MANNER OF FILLING.] *Subdivision 1.* [SCOPE OF SECTION.] *Every vacancy in the office of United States senator representing Minnesota shall be filled in the manner provided in this section.*

Subd. 2. [DEFINITIONS.] *For the purposes of this section, the terms defined in subdivisions 3 to 5 shall have the meanings given them in those subdivisions.*

Subd. 3. [VACANCY.] *"Vacancy" means a vacancy in the office of United States senator representing Minnesota.*

Subd. 4. [NOVEMBER ELECTION.] *"November election" means*

(a) *the general election in even numbered years; or*

(b) *any regular election held in November of odd numbered years at which all home rule charter and statutory cities are required to elect city officers; or*

(c) *if there is no election as described in clause (b), the first*

Tuesday after the first Monday in November of odd numbered years.

Subd. 5. [REGULAR PRIMARY.] *“Regular primary” means*

(a) the primary at which candidates are nominated for offices elected at the general election or for offices elected at the election described in subdivision 4, clause (b); or

(b) if there is no election as described in subdivision 4, clause (b), a primary election held four weeks before the first Tuesday after the first Monday in November of odd numbered years.

Subd. 6. [SPECIAL ELECTION REQUIRED; EXCEPTION; WHEN HELD.] *Every vacancy shall be filled for the remainder of the term by a special election held pursuant to this subdivision; except that no special election shall be held in the year before the term expires.*

The special election shall be held at the next November election if the vacancy occurs at least six weeks before the regular primary preceding that election. If the vacancy occurs less than six weeks before the regular primary preceding the next November election, the special election shall be held at the second November election after the vacancy occurs.

Subd. 7. [SPECIAL PRIMARY; WHEN HELD.] *A special primary shall be held at the regular primary preceding the November election at which the special election is held.*

Subd. 8. [NOTICE OF SPECIAL ELECTION.] *The secretary of state shall issue an official notice of any special election required to be held pursuant to this section not later than 10 weeks before the special primary unless the vacancy occurs 10 weeks or less before the special primary, in which case he shall issue the notice no later than two days after the vacancy occurs. The notice shall state the office to be filled, the opening and closing dates for filing of candidacy and the dates of the special primary and special election. For the purpose of the provisions of chapter 202A that apply generally to special elections this notice shall be used in lieu of the writ of the governor.*

Subd. 9. [FILING BY CANDIDATES.] *The time for filing of affidavits and nominating petitions for candidates to fill a vacancy at a special election shall open six weeks before the special primary or on the day the secretary of state issues notice of the special election, whichever occurs later. Filings shall close four weeks before the special primary.*

Subd. 10. [TEMPORARY APPOINTMENT.] *The governor may make a temporary appointment to fill any vacancy. An appointee shall hold office until a successor is elected and qualified at a special election or until a successor is elected pursuant to subdivision 11.*

Subd. 11. [SUCCESSION BY REGULARLY ELECTED SENATOR.] *Any person who is elected to the office of United States senator for a regular six year term when the office is vacant*

or is filled by a person appointed pursuant to subdivision 10 shall also succeed to the office for the remainder of the unexpired term.

Subd. 12. [APPLICATION OF OTHER LAWS.] Except as otherwise provided in this section, all of the provisions of chapter 202A that apply generally to other special elections apply to a special election held pursuant to this section.

Sec. 2. [EFFECT ON EXISTING APPOINTMENT.] Any temporary appointment to fill a vacancy in the United States senate in effect on the effective date of this act shall expire as provided in section 1, subdivision 10 and shall be filled for the remainder of the unexpired term as provided in section 1, subdivision 11.

Sec. 3. [REPEALER.] Minnesota Statutes 1976, Section 202A.72, is repealed.

Sec. 4. [EFFECTIVE DATE.] This act is effective the day following final enactment."

Strike the title in its entirety and insert

"A bill for an act relating to elections; establishing the manner of filling United States senate vacancies; providing for special elections at a November election; permitting a temporary appointment by the governor; defining terms; amending Minnesota Statutes 1976, Chapter 202A, by adding a section; repealing Minnesota Statutes 1976, Section 202A.72."

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

Pursuant to Rule 60, a roll call was taken on the Schaaf amendment to H. F. No. 1500.

There were yeas 7 and nays 3 as follows:

Those who voted in the affirmative were: Messrs. Gearty; Coleman; Johnson; Keefe, S.; Moe; Schaaf and Schmitz.

Those who voted in the negative were: Messrs. Jensen, Pillsbury and Ueland, A.

The amendment was adopted.

Pursuant to Rule 60, a roll call was taken on the Jensen substitute amendment to H. F. No. 1500.

There were yeas 3 and nays 7 as follows:

Those who voted in the affirmative were: Messrs. Jensen, Pillsbury and Ueland, A.

Those who voted in the negative were: Messrs. Gearty; Coleman; Keefe, S.; Moe; Schaaf and Schmitz.

The amendment failed.

Pursuant to Rule 60, a roll call was taken on the recommendation to pass H. F. No. 1500.

There were yeas 7 and nays 3 as follows:

Those who voted in the affirmative were: Messrs. Gearty; Coleman; Johnson; Keefe, S.; Moe; Schaaf and Schmitz.

Those who voted in the negative were: Messrs. Jensen, Pillsbury and Ueland, A.

The bill passed the committee.

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

S. F. No. 1612: A bill for an act relating to trusts; powers of trustee; permitting investment of trust assets in certain life insurance contracts; amending Minnesota Statutes 1976, Section 501.66, Subdivision 6.

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

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

S. F. No. 1613: A bill for an act relating to courts; judges; removal due to mental or physical incapacity; amending Minnesota Statutes 1976, Section 490.16, Subdivision 5; repealing Minnesota Statutes 1976, Sections 490.04; 490.05; 490.06; 490.07; 490.08; and 490.09.

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

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

S. F. No. 1614: A bill for an act relating to courts; board on judicial standards; providing for appointment of an executive secretary by the board; amending Minnesota Statutes, 1977 Supplement, Section 490.15, Subdivision 1.

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

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

S. F. No. 1617: A bill for an act relating to evidence; eliminating the presumption of due care in negligence actions; repealing Minnesota Statutes 1976, Section 602.04.

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

SECOND READING OF SENATE BILLS

S. F. Nos. 1612, 1613, 1614 and 1617 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. No. 1500 was read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS

Mr. Penny moved that his name be stricken as co-author to S. F. No. 304. The motion prevailed.

Mr. Johnson moved that the name of Mr. Sikorski be added as co-author to S. F. No. 1632. The motion prevailed.

Mr. Ueland, A. moved that the name of Mr. Renneke be added as co-author to S. F. No. 1575. The motion prevailed.

Mr. Schaaf moved that his name be stricken as chief author and Mr. Sikorski be added as chief author to S. F. No. 762.

Mr. Davies moved that S. F. No. 1620 be withdrawn from the Committee on Judiciary and re-referred to the Committee on Commerce. The motion prevailed.

Mr. Vega moved that the name of Mr. Frederick be added as co-author to S. F. No. 1597. The motion prevailed.

Mr. Coleman moved that the Message From the House inviting the Senate to meet in Joint Convention be taken from the table. The motion prevailed.

Mr. Coleman moved that the Senate accede to the request of the House of Representatives to meet in Joint Convention at 11:45 a.m. Tuesday, January 24, 1978, to receive the Message of the Honorable Rudy Perpich, Governor of the State of Minnesota. The motion prevailed.

Mr. Coleman moved that the President of the Senate appoint a Committee of five members of the Senate to act with a like committee on the part of the House of Representatives to escort the Honorable Rudy Perpich, Governor of the State of Minnesota to the House Chamber on the occasion of the Joint Convention on Tuesday, January 24, 1978 at 12:00 o'clock noon. The motion prevailed.

APPOINTMENTS

Pursuant to the foregoing motion, the President made the following appointments:

Mr. Lessard, Chairman; Messrs. Knoll, Setzepfandt, Engler and Mrs. Knaak.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Wegener moved that S. F. No. 1626 be withdrawn from the Committee on Local Government and re-referred to the Committee on Agriculture and Natural Resources. The motion prevailed.

Mr. Borden moved that House Concurrent Resolution No. 6 be taken from the table. The motion prevailed.

SUSPENSION OF RULES

Mr. Borden moved that the Rules of the Senate be so far suspended as to give House Concurrent Resolution No. 6 immediate consideration. The motion prevailed.

Mr. Borden moved the adoption of House Concurrent Resolution No. 6: A house concurrent resolution supporting the American Family Farmer.

The question was taken on the adoption of the resolution.

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

Those who voted in the affirmative were:

Anderson	Gearty	Lewis	Penny	Solon
Ashbach	Gunderson	Luther	Peterson	Spear
Bang	Hanson	McCutcheon	Purfeerst	Staples
Bernhagen	Hughes	Menning	Renneke	Strand
Borden	Humphrey	Merriam	Schaaf	Stumpf
Chmielewski	Johnson	Moe	Schmitz	Tennessee
Coleman	Keefe, S.	Nelson	Schrom	Ueland, A.
Davies	Kirchner	Nichols	Setzpfandt	Ulland, J.
Dieterich	Knaak	Ogdahl	Sieloff	Vega
Engler	Knoll	Olhoff	Sikorski	Wegener
Frederick	Lessard	Olson	Sillers	Willet

The motion prevailed. So the resolution was adopted.

Mr. Willet moved that the report from the Committee on Agriculture and Natural Resources, reported January 19, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Willet moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Willet moved that in accordance with the report from the Committee on Agriculture and Natural Resources, reported January 19, 1978, the Senate, having given its advice, do now consent to and confirm the appointment of:

**DEPARTMENT OF AGRICULTURE
COMMISSIONER**

Bill Walker, Route 1, Red Wing, Goodhue County, effective July 7, 1977, for a term expiring the first Monday in January, 1979.

The motion prevailed. So the appointment was confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Willet moved that the report from the Committee on Agriculture and Natural Resources, reported January 19, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Willet moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Willet moved that in accordance with the report from the Committee on Agriculture and Natural Resources, reported January 19, 1978, the Senate, having given its advice, do now consent to and confirm the appointment of:

**DEPARTMENT OF NATURAL RESOURCES
COMMISSIONER**

William Nye, 225 Park Avenue, Mahtomedi, Washington County, effective July 1, 1977, for a term expiring the first Monday in January, 1979.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 45 and nays 5, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Lessard	Purfeerst	Spear
Bang	Gunderson	Lewis	Renneke	Staples
Bernhagen	Hanson	Luther	Schaaf	Stokowski
Borden	Hughes	Menning	Schmitz	Strand
Chmielewski	Humphrey	Moe	Setzepfandt	Tennessee
Coleman	Johnson	Nelson	Sieloff	Ueland, A.
Davies	Keefe, S.	Nichols	Sikorski	Vega
Dieterich	Knaak	Olson	Sillers	Wegener
Engler	Knoll	Penny	Solon	Willet

Those who voted in the negative were:

Merriam	Olhoft	Peterson	Schrom	Ulland, J.
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The motion prevailed. So the appointment was confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Willet moved that the report from the Committee on Agriculture and Natural Resources, reported January 19, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Willet moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Willet moved that in accordance with the report from the Committee on Agriculture and Natural Resources, reported

January 19, 1978, the Senate, having given its advice, do now consent to and confirm the appointments of:

MINNESOTA ENVIRONMENTAL EDUCATION BOARD

Julia Copeland, 135 Melbourne Avenue Southeast, Minneapolis, Hennepin County, effective January 3, 1977, for a term expiring the first Monday in January, 1979.

Thomas A. Powell, 284 Jansa Drive, St. Paul, Ramsey County, effective January 3, 1977 for a term expiring January 1, 1979.

Merrill Fellger, 287 Glenmore Road, Long Lake, Hennepin County, effective January 3, 1977, for a term expiring January 1, 1979.

Dr. Paul O. Walker, 2426 Galtier, Roseville, Ramsey County, effective January 3, 1977, for a term expiring January 1, 1979.

The motion prevailed. So the appointments were confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 11:15 o'clock a.m., Tuesday, January 24, 1978. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SIXTY-FIFTH DAY

St. Paul, Minnesota, Tuesday, January 24, 1978

The Senate met at 11:15 o'clock a.m. and was called to order by the President.

CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate. The following Senators answered to their names:

Anderson	Gunderson	Lewis	Schaaf	Stumpf
Bernhagen	Hughes	Luther	Schmitz	Tennessee
Chenoweth	Humphrey	Menning	Setzpfandt	Ueland, A.
Chmielewski	Keefe, S.	Nelson	Sikorski	Vega
Coleman	Kirchner	Nichols	Solon	Wegener
Dieterich	Knaak	Ogdahl	Spear	
Engler	Knoll	Penny	Stokowski	
Frederick	Lessard	Renneke	Strand	

The Sergeant at Arms was instructed to bring in the absent members.

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

Anderson	Gearty	Lessard	Peterson	Stokowski
Ashbach	Gunderson	Lewis	Purfeerst	Strand
Bang	Hanson	Luther	Renneke	Stumpf
Bernhagen	Hughes	McCutcheon	Schaaf	Tennessee
Borden	Humphrey	Menning	Schmitz	Ueland, A.
Chenoweth	Jensen	Merriam	Schrom	Ulland, J.
Chmielewski	Johnson	Moe	Setzpfandt	Vega
Coleman	Keefe, J.	Nelson	Sieloff	Wegener
Davies	Keefe, S.	Nichols	Sikorski	Willet
Dieterich	Kirchner	Ogdahl	Sillers	
Dunn	Knaak	Olhoff	Solon	
Engler	Knoll	Olson	Spear	
Frederick	Knutson	Penny	Staples	

The President declared a quorum present.

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

MEMBERS EXCUSED

Mrs. Brataas; Messrs. Benedict, Kleinbaum, Laufenburger, Perpich and Pillsbury were excused from the Session of today.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received and referred to the committees indicated:

January 19, 1978

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

The following appointment as Commissioner of the Department of Education is hereby respectfully submitted to the Senate for confirmation as required by law:

Howard B. Casmey, 7519 Harold Avenue, Minneapolis, Hennepin County, has been appointed by the Board of Education and approved by me, effective August 1, 1977, for a term expiring the first Monday in January, 1979.

Sincerely,
Rudy Perpich, Governor

Referred to the Committee on Education.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Hughes introduced—

S. F. No. 1707: A bill for an act relating to the city of Maplewood; authorizing the payment of lump sum service pensions by the Maplewood firefighters relief association.

Referred to the Committee on Governmental Operations.

Mr. Keefe, S. introduced—

S. F. No. 1708: A bill for an act relating to unemployment compensation; providing for a hearing to determine if misconduct shall disqualify a person for benefits; amending Minnesota Statutes, 1977 Supplement, Section 268.09, Subdivision 1.

Referred to the Committee on Employment.

Mr. Keefe, S. introduced—

S. F. No. 1709: A bill for an act relating to unemployment compensation; providing limited benefits to certain employees; amending Minnesota Statutes, 1977 Supplement, Section 268.09, Subdivision 1.

Referred to the Committee on Employment.

Mr. Keefe, S. introduced—

S. F. No. 1710: A bill for an act relating to unemployment compensation; eliminating the misconduct disqualification for benefits; amending Minnesota Statutes, 1977 Supplement, Section 268.09, Subdivision 1.

Referred to the Committee on Employment.

Mr. Keefe, S. introduced—

S. F. No. 1711: A bill for an act relating to unemployment compensation; limiting misconduct disqualification for benefits, amending Minnesota Statutes, 1977 Supplement, Section 268.09, Subdivision 1.

Referred to the Committee on Employment.

Messrs. Sillers, Anderson, Knutson and Merriam introduced—

S. F. No. 1712: A bill for an act relating to education; teachers; extending reinstatement period for teachers on unrequested leave of absence; amending Minnesota Statutes 1976, Section 125.12, Subdivision 6b.

Referred to the Committee on Education.

Messrs. Spear; Keefe, S.; Gearty; Ogdahl and Tennessen introduced—

S. F. No. 1713: A bill for an act relating to the city of Minneapolis; concerning the park and recreation board of the city of Minneapolis and the housing and redevelopment authority of the city of Minneapolis; providing for the assignment of employees to the riverfront development coordination board.

Referred to the Committee on Local Government.

Messrs. Humphrey, Borden and Ueland, A. introduced—

S. F. No. 1714: A bill for an act relating to energy; authorizing establishment of community energy conservation councils; prescribing their powers and duties.

Referred to the Committee on Energy and Housing.

Mr. Humphrey introduced—

S. F. No. 1715: A bill for an act relating to metropolitan government; directing the metropolitan council to adopt an energy policy plan as part of the comprehensive development guide for the metropolitan area; amending Minnesota Statutes 1976, Section 473.146, by adding a subdivision.

Referred to the Committee on Governmental Operations.

Mr. Humphrey introduced—

S. F. No. 1716: A bill for an act relating to the city of Crystal; benefits payable by the firemen's relief association; amending Laws 1969, Chapter 1088, Sections 2, 4, 5, and 6.

Referred to the Committee on Governmental Operations.

Mr. Humphrey introduced—

S. F. No. 1717: A bill for an act relating to nursing; providing for issuance of certain licenses without examination to persons receiving certain training or licensing outside this state; amending Minnesota Statutes 1976, Section 148.211, Subdivision 2; and 148.291, Subdivision 3.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Humphrey, Coleman and Laufenburger introduced—

S. F. No. 1718: A resolution memorializing the President and Congress to pass the Humphrey-Hawkins full employment bill.

Referred to the Committee on Rules and Administration.

Mr. Schaaf introduced—

S. F. No. 1719: A bill for an act relating to taxation; gasoline tax; changing the shrinkage allowance on gasoline received by a distributor; amending Minnesota Statutes 1976, Section 296.14, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Olson; Peterson; Ulland, J.; Renneke and Penny introduced—

S. F. No. 1720: A bill for an act relating to game and fish; revising certain provisions regarding placement of blinds and decoys; amending Minnesota Statutes 1976, Section 100.29, Subdivision 18.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Chmielewski, Olson, Hanson, Strand and Sillers introduced—

S. F. No. 1721: A bill for an act relating to county agricultural societies; providing for tort liability of county agricultural societies; authorizing county boards to levy a tax to pay certain judgments or liability insurance premiums; amending Minnesota Statutes 1976, Sections 38.27, by adding a subdivision; 466.01, Subdivision 1; and Chapter 38, by adding a section.

Referred to the Committee on Judiciary.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House has appointed a committee of five members of the House to act with a similar committee on the part of the Senate to escort the Governor to the Joint Convention to be held in the House Chamber, Tuesday, January 24, 1978, at 11:45 a.m., with the Governor's address to be delivered at 12:00 noon.

Abeln, Berkelman, Clark, Cohen and Redalen have been appointed as members of such committee on the part of the House.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted January 23, 1978

Mr. President:

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

S. F. No. 65: A bill for an act relating to crimes and corrections; sentencing and post conviction disposition of criminal offenders; transferring the powers and duties of the Minnesota corrections board to the commissioner of corrections; abolishing the Minnesota corrections board; providing for determinate sentencing; providing for a mutual agreement program; amending Minnesota Statutes 1976, Sections 152.15, Subdivisions 1, 2, 3 and 4; 299F.811; 299F.815, Subdivision 1; 401.13; 609.03; 609.10; 609.135, Subdivision 1; 609.145, Subdivision 1; 609.165, Subdivision 2; 609.17, Subdivision 4; 609.175, Subdivision 2; 609.18; 609.185; 609.19; 609.195; 609.20; 609.205; 609.21; 609.215; 609.225; 609.235; 609.24; 609.245; 609.25, Subdivision 2; 609.255; 609.26; 609.27, Subdivision 2; 609.31; 609.32; 609.342; 609.343; 609.344; 609.345; 609.355, Subdivision 2; 609.365; 609.375, Subdivision 2; 609.39; 609.395; 609.405, Subdivision 2; 609.42, Subdivision 1; 609.425; 609.445; 609.455; 609.465; 609.48, Subdivisions 1 and 4; 609.485, Subdivision 4; 609.495, Subdivision 1; 609.498, Subdivision 1; 609.52, Subdivisions 2 and 3; 609.521; 609.525, Subdivision 1; 609.53, Subdivisions 1 and 3; 609.54; 609.55, Subdivision 2; 609.551, Subdivision 1; 609.561; 609.562; 609.563, Subdivision 1; 609.576; 609.58, Subdivision 2; 609.59; 609.595, Subdivision 1; 609.60; 609.611; 609.615; 609.62, Subdivision 2; 609.625; 609.63; 609.635; 609.64; 609.645; 609.65; 609.67, Subdivision 2; 609.71; 609.713; 609.785; 609.82; 609.825, Subdivision 2; 609.83; and Chapter 609, by adding a section; repealing Minnesota Statutes 1976, Sections 152.15, Subdivision 5; 241.045; 242.24; 243.06; 243.14; 243.18; 246.43; 609.11; 609.13, Subdivision 1; 609.155; 609.16; 609.293, Subdivisions 2, 3, and 4; and 609.346.

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

Kempe, A; Moe; Arlandson; McCarron and Searle.

Senate File No. 65 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned January 19, 1978

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted, with the exception of reports pertaining to appointments. The motion prevailed.

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

S. F. No. 1611: A bill for an act relating to corporations; requiring domestic corporations to file an active status report with the secretary of state; requiring the secretary of state to perform certain duties; providing that corporations that fail to file reports shall lose exclusive right to their names; permitting corporations and others to utilize the names of corporations which have lost exclusive right to their names; establishing filing fees; appropriating money; amending Minnesota Statutes 1976, Chapter 301, by adding a section; and Section 301.05, Subdivision 2.

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

Page 1, line 18, after "*Every*" insert "*domestic*"

Page 1, line 19, after "*corporation*" insert "*which has been issued a certificate of incorporation before July 1, 1979*"

Page 2, line 5, strike "*directors*" and insert "*president*"

Page 2, line 5, strike "*officers*" and insert "*secretary*"

Page 2, after line 20, insert

"Subd. 3. The secretary of state shall mail to the registered office of the corporation notice of the rejection or acceptance of the active status report within ten days of receipt of the report. If the secretary of state rejects the report, he shall specify the reasons for the rejection.

Notification of acceptance of the status report shall constitute certification of the corporation's right to the continued exclusive use of the corporate name."

Renumber the subdivisions in sequence

Page 2, line 21, after "*a*" insert "*domestic*"

Page 2, line 31, strike "*As a condition to be continued*"

Page 2, line 32, strike "*existence of*"

Page 3, line 1, strike "*it*"

Page 3, line 10, strike "*of this act*"

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

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

S. F. No. 1607: A bill for an act relating to occupational safety and health; children under 16 not to be employed in occupations or places potentially injurious; amending Minnesota Statutes 1976, Section 182.09.

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

Mr. Gearty from the Committee on Elections, to which was referred

S. F. No. 1006: A bill for an act relating to political activities; providing for their regulation; revising certain filing and reporting requirements; clarifying language; removing obsolete provisions; amending Minnesota Statutes 1976, Sections 10A.01, Subdivisions 2, 5, 6, 7, 9, 10, 11, 13, 15 and 18; 10A.02, Subdivisions 1, 2, 4, 8, 9, 11, 12 and 13; 10A.04, Subdivision 1; 10A.07; 10A.09, Subdivision 6; 10A.11, Subdivision 6; 10A.12, Subdivisions 1, 3 and 5; 10A.13; 10A.14, Subdivisions 1 and 2; 10A.15; 10A.16; 10A.17; 10A.20, Subdivisions 3, 4, 5 and 6; 10A.21; 10A.22, Subdivisions 3, 4, 5 and 7; 10A.24; 10A.25; 10A.26; 10A.27, Subdivision 4 and by adding a subdivision; 10A.28; 10A.29; 10A.31, Subdivisions 3a, 7, 10 and by adding a subdivision; 10A.32, Subdivisions 2, 3 and 4; 10A.33; and 210A.44; and Chapter 10A by adding sections.

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

Strike everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1976, Section 10A.01, Subdivision 2, is amended to read:

Subd. 2. “Administrative action” means an action by any official, board, commission or agency of the executive branch to *make rules adopt, amend, or repeal a rule or to adjudicate a contested case pursuant to chapter 15*. “Administrative action” does not include the application or administration of *these rules an adopted rule*, except in cases of rate setting, power plant siting and others specified by the *commission board*.

Sec. 2. Minnesota Statutes 1976, Section 10A.01, Subdivision 5, is amended to read:

Subd. 5. “Candidate” means an individual who seeks nomination for election or election to any statewide *office or legislative office*, *other than a federal office for which candidates are reporting is not required to report under federal laws*. The term candidate shall also include an individual who seeks nomination for election or election to supreme court and district court judgeships of the state. An individual shall be deemed to seek

nomination for election or election if he has taken the action necessary under the law of the state of Minnesota to qualify himself for nomination for election or election to an office, has received contributions or made expenditures in excess of \$100, or has given his *implicit or explicit* consent, ~~implicit or explicit~~, for any other person to receive contributions or make expenditures in excess of \$100 ~~with a view to~~, *for the purpose of bringing about his nomination for election or election to an office.*

Sec. 3. Minnesota Statutes 1976, Section 10A.01, Subdivision 7, is amended to read:

Subd. 7. "Contribution" means:

(a) ~~A gift, Any subscription, loan, advance, the providing of supplies, materials or, equipment, or deposit of money or anything else of value made given to a candidate, political committee or political fund with the expectation that it will be used to influence the nomination for election or election of a candidate to office;~~

(b) ~~A transfer of funds between political committees or political funds; or~~

(c) ~~The payment of compensation for the personal services of another person which are rendered to a candidate, political committee or political fund to influence the nomination for election or election of a candidate to office by any person other than that candidate, political committee or political fund.~~

"Contribution" does not include :

(d) ~~services provided without compensation by individuals volunteering their time on behalf of a candidate, political committee or political fund ; or ;~~

(e) ~~coverage by news media, but only while acting in the ordinary course of business of publishing or broadcasting news items, editorials or other comments ; or~~

(f) ~~a loan of money by a lending institution chartered by an agency of the federal government or regulated by the commissioner of banks made in accordance with applicable laws and regulations, and in the ordinary course of business. Any such loan, to the extent that it is repaid by any endorser or guarantor, shall be considered a contribution by that endorser or guarantor.~~

Sec. 4. Minnesota Statutes 1976, Section 10A.01, Subdivision 9, is amended to read:

Subd. 9. "Election" means a general, special, primary or special primary election ; ~~or a convention or caucus of a political party held to nominate or endorse a candidate .~~

Sec. 5. Minnesota Statutes 1976, Section 10A.01, Subdivision 10, is amended to read:

Subd. 10. "Expenditure" means:

(a) A purchase, payment, distribution, loan, advance, deposit or gift of money or anything of value, made for the purpose of influencing the nomination for election or election of any candidate to office; or

(b) A transfer of funds between political committees or political funds; or

(c) The payment of compensation for the personal services of another person which are rendered to a candidate, political committee or political fund to influence the nomination for election or election of a candidate to office.

"Expenditure" does not include: (a)

(d) Services provided without compensation by individuals volunteering their time on behalf of a candidate, political committee, or political fund; or (b) expenses incurred

(e) Services performed for a constituent by a member of the legislature or a person holding constitutional office officer in the executive branch, in performing services for constituents unless those services are performed after the date of adjournment sine die of the legislature in an election year for the office held. The board shall have the power to determine whether the an expense was is incurred primarily for the purpose of providing a constituent service or is an expenditure within the meaning of this subdivision;

(f) Coverage by news media, but only while acting in the ordinary course of business of publishing or broadcasting news items, editorials or other comments; or

(g) A loan of money by a lending institution chartered by an agency of the federal government or regulated by the commissioner of banks made in accordance with applicable laws and regulations and in the ordinary course of business. Any such loan, to the extent that it is repaid by any endorser or guarantor shall be considered an expenditure by that endorser or guarantor.

Sec. 6. Minnesota Statutes 1976, Section 10A.01, is amended by adding a subdivision to read:

Subd. 10a. "Approved expenditure" means an expenditure which is made with the authorization of or in cooperation or consultation with any candidate, his principal campaign committee or his agent or is made in concert with or at the request or suggestion of any candidate, his principal campaign committee or his agent.

Sec. 7. Minnesota Statutes 1976, Section 10A.01, is amended by adding a subdivision to read:

Subd. 10b. "Independent expenditure" means an expenditure expressly advocating the election or defeat of a clearly identified candidate which is made without the authorization of or without cooperation or consultation with any candidate,

his principal campaign committee or his agent and which is not made in concert with or at the request or suggestion of any candidate, his principal campaign committee or his agent. An independent expenditure is not a contribution.

Sec. 8. Minnesota Statutes 1976, Section 10A.01, Subdivision 13, is amended to read:

Subd. 13. "Minor political party" means any party other than a major political party which ran :

(a) *Under whose name a candidate on the filed for state-wide or legislative ballot office in the last general election and received not less than five percent of the votes cast for the office; or*

(b) *Which files a petition with the secretary of state containing the names of at least 2,000 persons registered to vote in Minnesota and declaring that the signators signers desire to enable that the party be eligible to receive money from the state elections campaign fund in the same manner as a major political party.*

For the purposes of Laws 1974, Chapter 470 prior to the general election in 1974 chapter 10A , all persons who are eligible to vote in areas where there is no permanent system of registration shall be considered registered voters.

Sec. 9. Minnesota Statutes 1976, Section 10A.01, Subdivision 18, is amended to read:

Subd. 18. "Public official" means any:

(a) Member of the legislature;

(b) *Person holding a Constitutional office officer in the executive branch and his chief administrative deputy;*

(c) *Member , chief administrative officer or deputy chief administrative officer of a state board or commission which has rule making authority, as "rule" is defined in section 16.0411, subdivision 3 at least one of the following powers: (i) the power to adopt, amend or repeal rules, or (ii) the power to adjudicate contested cases or appeals ;*

(d) *Commissioner, deputy commissioner or assistant commissioner of any state department as designated pursuant to section 15.01;*

(e) *Person employed in the executive branch who is authorized to adopt, amend or repeal rules or adjudicate contested cases;*

(f) *Executive secretary of the state board of investment;*

(g) *Executive director of the Indian affairs intertribal board;*

(h) *Commissioner of the iron range resources and rehabilitation board;*

(i) *Director of mediation services;*

- (j) Deputy of any official listed in clauses (e) to (i);
- (k) Judge of workers compensation;
- (l) Hearing examiner in the state office of hearing examiners or department of economic security;
- (m) Solicitor general or deputy, assistant or special assistant attorney general;
- (n) Person employed by the legislature as secretary of the senate, legislative auditor, chief clerk of the house, revisor of statutes, researcher in the senate research office, attorney in the senate counsel office or researcher or attorney in the house research office of legislative research; or
- (o) Person employed by the executive branch in any position specified in section 15A.081; and
- (p) Member or chief administrative officer of the metropolitan council, metropolitan transit commission, metropolitan sewer board or waste control commission, metropolitan airports commission or metropolitan sports facilities commission.

Sec. 10. Minnesota Statutes 1976, Section 10A.01, is amended by adding a subdivision to read:

Subd. 20. "Immediate family" means any spouse, child, parent, brother, sister, half brother or half sister or any spouse of a child, parent, brother, sister, half brother or half sister of an individual.

Sec. 11. Minnesota Statutes 1976, Section 10A.02, Subdivision 4, is amended to read:

Subd. 4. The board shall hold an organizational meeting within 45 days after April 13, 1974 at which time the members of the board shall elect from among their its members a chairman, a vice-chairman and a secretary. The secretary shall keep a record of all proceedings and actions by the board. Meetings of the board shall be at the call of the chairman or at the call of any four members of the board acting together.

Sec. 12. Minnesota Statutes 1976, Section 10A.02, Subdivision 11, is amended to read:

Subd. 11. The board may investigate any alleged violation of chapter 10A. The board shall investigate any violation which is alleged in a written complaint filed with the board and, except for alleged violations of section 10A.25 or section 10A.27, shall make a public finding of whether or not there is probable cause to believe a violation has occurred within 30 days of the filing of the complaint. The board shall enter a conciliation agreement or make a public finding concerning probable cause within 60 days of the filing of a written complaint alleging a violation of section 10A.25 or section 10A.27. The deadline for action on any written complaint may be extended by majority vote of the board. Any hearing or action of the board concerning any complaint or investigation other than a finding

concerning probable cause or a conciliation agreement shall be confidential and all information obtained by the board shall be privileged. Until the board makes a public finding that the board believes there is or is not concerning probable cause to conclude that a violation of Laws 1974, Chapter 470 has occurred. Any person, including any member or employee of the board, violating the confidentiality or enters a conciliation agreement:

(a) no member, employee or agent of the board shall disclose to any person any information obtained by that member, employee or agent concerning any complaint or investigation except as required to carry out the investigation or take action in the matter as authorized by chapter 10A;

(b) no person who files or is the subject of any written complaint or supplies information to the board concerning a complaint or investigation shall disclose to any other person any information supplied to or received from the board concerning the complaint or investigation; and

(c) notwithstanding the provisions of clause (b), any person subject to the provisions of that clause may reveal any information to his attorney or another person from whom he seeks advice or guidance in the matter, or to any other person who is subject to the provisions of clause (b) with respect to the same complaint or investigation; provided that any person to whom information concerning a complaint or investigation is revealed as provided in this clause shall not disclose that information to any other person. Any person who discloses information contrary to the provisions of this subdivision shall be guilty of a gross misdemeanor. The board shall make a finding within 30 days of receipt of a written complaint unless a majority of the board agrees to extend the time limit. After determination of its findings Except as provided in section 10A.28, after the board makes a public finding of probable cause the board shall report any that finding of probable cause to the appropriate law enforcement authorities.

Sec. 13. Minnesota Statutes 1976, Section 10A.02, is amended by adding a subdivision to read:

Subd. 11a. If after making a public finding concerning probable cause or entering a conciliation agreement the board determines that the record of the investigation contains statements, documents or other matter which if disclosed would unfairly injure the reputation of an innocent person the board may:

(a) retain any such statement, document or other matter as a confidential record for a period of one year after which it shall be destroyed, or

(b) return any such statement, document or other matter to the person who supplied it to the board.

Sec. 14. Minnesota Statutes 1976, Section 10A.03, Subdivision 1, is amended to read:

10A.03 [LOBBYIST REGISTRATION.] Subdivision 1. Each lobbyist shall file a registration form with the board within five days after he commences lobbying becomes a lobbyist .

Sec. 15. Minnesota Statutes 1976, Section 10A.03, is amended by adding a subdivision to read:

Subd. 3. The board shall notify by certified mail any lobbyist who fails to file a registration form within five days after he becomes a lobbyist. If a lobbyist fails to file a form within seven days after receiving this notice, the board may impose a late filing fee at \$10 per day, not to exceed \$200, commencing with the eighth day after receiving notice. The board shall further notify by certified mail any lobbyist who fails to file a form within 21 days of receiving a first notice that the lobbyist may be subject to a criminal penalty for failure to file the form. A lobbyist who knowingly fails to file a form within seven days after receiving a second notice from the board is guilty of a misdemeanor.

Sec. 16. Minnesota Statutes 1976, Section 10A.04, subdivision 2, is amended to read:

Subd. 2. Each report shall cover the time from the last day of the period covered by the last report to 15 days prior to the current filing date. The reports shall be filed with the board by the following dates:

- (a) February 15*
- (b) March 15*
- (c) April 15*
- (d) June 15*
- (e) October 15*
- (a) January 15*
- (b) April 15*
- (c) July 15*
- (d) October 15*

Sec. 17. Minnesota Statutes 1976, Section 10A.04, Subdivision 5, is amended to read:

Subd. 5. The board shall notify by registered certified mail any lobbyist who fails after five seven days after a filing date imposed by section 10A.03 or this section to file a report or statement required by section 10A.03 or this section. If a lobbyist fails to file a report within seven days after receiving this notice, the board may impose a late filing fee of \$10 per day, not to exceed \$200, commencing with the eighth day after receiving notice. The board shall further notify by certified mail any lobbyist who fails to file a report within 21 days after receiving a first notice that the lobbyist may be subject to a criminal penalty for failure to file the report. A lobbyist who knowingly fails to file such a report or

statement within seven days after receiving a *second* notice from the board is guilty of a misdemeanor.

Sec. 18. Minnesota Statutes 1976, Section 10A.08, is amended to read:

10A.08 [REPRESENTATION DISCLOSURE.] Any public official who represents a client for a fee before any *person, board or commission which or agency that* has rule making authority in a hearing conducted under chapter 15, shall disclose his participation in the action to the board within 14 days after his appearance. *The board shall notify by certified mail any public official who fails to disclose his participation within 14 days after his appearance. If the public official fails to disclose his participation within seven days of this notice, the board may impose a late filing fee of \$10 per day, not to exceed \$200, commencing on the eighth day after receiving notice.*

Sec. 19. Minnesota Statutes 1976, Section 10A.09, Subdivision 5, is amended to read:

Subd. 5. A statement of economic interest required by this section shall be on a form prescribed by the board. The individual filing shall provide the following information:

(a) His name, address, occupation and principal place of business;

(b) The name of each business with which he is associated and the nature of that association; and

(c) A listing of all real property within the state, excluding homestead property, in which he *has holds:* (i) a fee simple interest, a mortgage, a contract for deed as buyer or seller, or an option to buy, whether direct or indirect, and which interest is valued in excess of \$2,500, or (ii) an option to buy, which property has a fair market value of \$50,000 or more; and

(d) A listing of all real property within the state in which a partnership of which he is a member holds: (i) a fee simple interest, a mortgage, a contract for deed as buyer or seller, or an option to buy, whether direct or indirect, if his share of the partnership interest is valued in excess of \$2,500 or (ii) an option to buy, which property has a fair market value of \$50,000 or more. ~~The filing~~ Any listing under clauses (c) or (d) shall indicate the street address and the municipality or the section, township, range and approximate acreage, whichever applies, and the county wherein the property is located.

Sec. 20. Minnesota Statutes 1976, Section 10A.09, Subdivision 6, is amended to read:

Subd. 6. Each individual who is required to file a statement of economic interest shall file a supplementary statement on April 15 of each year *that he remains a public official. The supplementary statement shall include the amount of each honorarium in excess of \$50 received since the last statement, together with the name and address of the source of the honorarium.*

Sec. 21. Minnesota Statutes 1976, Section 10A.09, Subdivision 7, is amended to read:

Subd. 7. All public officials in office on April 13, 1974 shall file with the board a statement of economic interest within 60 days after the date the board issues statement of economic interest forms. The board shall notify by certified mail any individual who fails within the prescribed time to file a statement of economic interest required by this section. If an individual fails to file a statement within seven days after receiving this notice, the board may impose a late filing fee of \$10 per day, not to exceed \$200, commencing on the eighth day after receiving notice. The board shall further notify by certified mail any individual who fails to file a statement within 21 days after receiving a first notice that the individual may be subject to a criminal penalty for failure to file a statement. An individual who fails to file a statement within seven days after this second notice is guilty of a misdemeanor.

Sec. 22. Minnesota Statutes 1976, Section 10A.10, is amended to read:

10A.10 [PENALTY FOR FALSE STATEMENTS.] A report or statement required to be filed by sections 10A.02 to 10A.09 shall be signed and certified as true by the person required to file the report. Any person who signs and certifies to be true a report or statement which he knows contains false information or who knowingly omits required information is guilty of a felony gross misdemeanor.

Sec. 23. Minnesota Statutes 1976, Section 10A.11, Subdivision 6, is amended to read:

Subd. 6. Except for transfers of funds between political committees and transfers from the state election campaign fund, a political committee shall be financed solely through voluntary donations contributions by natural persons individuals or political funds.

Sec. 24. Minnesota Statutes 1976, Section 10A.12, Subdivision 4, is amended to read:

Subd. 4. No donations contributions to the political fund shall be accepted and no expenditures from the political fund shall be made while the office of treasurer of the political fund is vacant.

Sec. 25. Minnesota Statutes 1976, Section 10A.12, Subdivision 5, is amended to read:

Subd. 5. Notwithstanding subdivision 1, any association may, if not prohibited by other law, transfer to its political fund money derived from that part of its treasury financed by dues or membership fees. Pursuant to section 10A.20, the source of the dues or membership fees must be disclosed if an aggregate amount in excess of \$50 of any member's treasurer of the fund shall disclose the name of any member from whom the fund derives an aggregate amount of dues, membership fees and voluntary contributions are transferred to the political fund within in excess of \$50 in any one year.

Sec. 26. Minnesota Statutes 1976, Section 10A.13, is amended to read:

10A.13 [ACCOUNTS WHICH MUST BE KEPT.] Subdivision 1. It shall be the duty of The treasurer of a political committee or political fund to *shall* keep an account of:

(a) The sum of all contributions, except any contribution contributions in kind valued at less than \$20 or less, made to or for the political committee or political fund;

(b) The name and address, if any, of any person making a contribution in excess of \$20, and together with the date and amount thereof of the contribution; and

(c) All expenditures Each expenditure made by or on behalf of the committee or fund.

Any person who knowingly violates any provision of this subdivision is guilty of a misdemeanor.

Subd. 2. The treasurer shall obtain a receipted bill, stating the particulars, for every expenditure in excess of \$100 made by or on behalf of a political committee or political fund of over \$100, and for any expenditure in a lesser amount if the aggregate amount of lesser expenditures made to the same person during a any year exceeds \$100. The treasurer shall preserve all receipted bills and accounts required to be kept by this section for four years.

Sec. 27. Minnesota Statutes 1976, Section 10A.14, Subdivision 1, is amended to read:

10A.14 [REGISTRATION OF POLITICAL COMMITTEES AND POLITICAL FUNDS.] Subdivision 1. The treasurer of a political committee or political fund shall register with the board by filing a statement of organization no later than 14 days after the date upon which the committee or fund has received contributions or made expenditures in excess of \$100. However, in the first year of Laws 1974, Chapter 470, treasurers shall file within 30 days after the board issues political committee or political fund registration forms.

Sec. 28. Minnesota Statutes 1976, Section 10A.14, Subdivision 2, is amended to read:

Subd. 2. The statement of organization shall include:

(a) The name and address of the political committee or political fund;

(b) The names and addresses of the supporting associations of a political fund;

(c) The name and address of the chairman, the treasurer, and any deputy treasurers;

(d) A listing of all depositories or safety deposit boxes used; and

(e) A statement as to whether the committee is a principal campaign committee ; and

(f) For a state political party only, a list of the names of each affiliate of the party, which shall include congressional district organizations, county unit and legislative district organizations, municipal, ward and precinct organizations and legislative caucuses .

Sec. 29. Minnesota Statutes 1976, Section 10A.14, Subdivision 4, is amended to read:

Subd. 4. The board shall notify by *certified mail* any person who fails to file a statement required by this section. *If a person fails to file a statement within seven days after receiving this notice, the board may impose a late filing fee of \$10 per day, not to exceed \$200, commencing with the eighth day after receiving notice. The board shall further notify by certified mail any person who fails to file a statement within 21 days after receiving a first notice that such person may be subject to a criminal penalty for failure to file the report. A person who knowingly fails to file the statement within seven days after receiving a second notice from the board is guilty of a gross misdemeanor.*

Sec. 30. Minnesota Statutes 1976, Section 10A.15, Subdivision 2, is amended to read:

Subd. 2. Every person who receives a contribution in excess of \$20 for a political committee or political fund shall, on demand of the treasurer, and in any event within 14 days after receipt of the contribution, inform the treasurer of the amount, the name and, if known, the address of the person making the contribution and the date it was received.

Sec. 31. Minnesota Statutes 1976, Section 10A.15, Subdivision 3, is amended to read:

Subd. 3. All monetary contributions received by or on behalf of any candidate or political committee or political fund shall within 14 days after the receipt thereof, Sundays and holidays excepted, be deposited in a designated depository in an account designated "Campaign Fund of (name of committee or fund)". All contributions shall be deposited promptly upon receipt and, except for contributions received during the last three days of any reporting period as described in section 10A.20, shall be deposited during the reporting period in which they were received. Any contribution received during the last three days of a reporting period shall be deposited within 72 hours of receipt and shall be reported as received during the reporting period whether or not deposited within that period. Any deposited contribution may be returned to the contributor within 30 days of deposit. A contribution deposited and not returned within 30 days of that deposit shall be deemed for the purposes of Chapter 10A to be accepted by the candidate, political committee or political fund.

Sec. 32. Minnesota Statutes 1976, Section 10A.17, Subdivision 2, is amended to read:

Subd. 2. No person or persons acting in concert other than the candidate and the treasurer of the candidate's principal campaign committee may make an approved expenditure of more than \$20 with the authorization or consent, express or implied, of a candidate or his agent, or under the control, direct or indirect, of a candidate or his agent on behalf of a candidate, which expenditure is not made from the account of the principal campaign committee of that candidate, without receiving prior written authorization from the treasurer of that candidate's principal campaign committee (i) prior written authorization and (ii) certification that the expenditures will not exceed the limits on expenditures as set forth in sections 10A.25 and 10A.27. All such expenditures shall be counted against the spending limitations of the candidate.

Sec. 33. Minnesota Statutes 1976, Section 10A.17, Subdivision 5, is amended to read:

Subd. 5. Any political committee, political fund or person who solicits or accepts contributions or ~~make~~ makes expenditures on behalf of any candidate without the written authorization of the candidate or his treasurer shall publicly disclose ~~its~~ the lack of authorization as provided in this subdivision. In All written communications with those from whom it solicits or accepts contributions are solicited or accepted or to whom it makes expenditures are made, the committee, fund or person shall state in writing and contain a statement in conspicuous type that ~~it~~ the activity is not authorized by the candidate and that the candidate is not responsible for its activities it. A Similar oral statement language shall be included in all oral communications. A similar written statement shall be included, in conspicuous type on the front page of all literature and advertisements published or posted, and a similar oral statement included at the end of all broadcast advertisements by committee, fund or person in connection with made on the candidate's campaign behalf. This subdivision does not apply to any expenditure made on behalf of a candidate from the account of the principal campaign committee of that candidate.

Sec. 34. Minnesota Statutes 1976, Section 10A.19, Subdivision 1, is amended to read:

10A.19 [PRINCIPAL CAMPAIGN COMMITTEE.] Subdivision 1. Every candidate shall designate and cause to be formed a single principal campaign committee which shall be responsible for reporting contributions and authorized expenditures on behalf of the candidate. No candidate shall receive money from the state elections campaign fund until that candidate has registered a principal campaign committee pursuant to section 10A.14.

Sec. 35. Minnesota Statutes 1976, Section 10A.20, Subdivision 2, is amended to read:

Subd. 2. The reports shall be filed with the board on or before January 31 of each year; and. In each year in which the

name of the candidate being supported is on the ballot, *additional reports shall be filed ten days before the a primary or special primary and a general or special election, seven days before a special primary and a special election and 30 days after a special election.*

If a scheduled filing date falls on a Saturday, Sunday or legal holiday, the filing date shall be the next regular business day.

Sec. 36. Minnesota Statutes 1976, Section 10A.20, Subdivision 3, is amended to read:

Subd. 3. Each report under this section shall disclose:

(a) The amount of liquid assets on hand at the beginning of the reporting period;

(b) The name, address and employer, or, if self-employed, occupation of each person, political committee or political fund who has made one or more contributions to or for the political committee or political fund including the purchase of tickets for dinners, luncheons, rallies, and similar fund raising events within the year in an aggregate amount or value in excess of \$50 for legislative candidates and in excess of \$100 for state-wide candidates, together with the amount and date of the contributions, and the aggregate amount of contributions within the year from each contributor so disclosed. The lists of contributors shall be in alphabetical order;

(c) The total sum of individual contributions made to or for the political committee or political fund during the reporting period and not reported under clause (b);

(d) Each loan to or from any person within the year, including any loan from any lending institution chartered by an agency of the federal government or regulated by the commissioner of banks, in an aggregate amount or value in excess of \$100, together with the name and address, occupation and the principal place of business, if any, of the lender or any endorser or guarantor and the date and amount of the loan;

(e) Each receipt in excess of \$100 not otherwise listed under clauses (b) to (d);

(f) The total sum of all receipts by or for the political committee or political fund during the reporting period;

(g) The name and address of each person to whom expenditures have been made by the political committee or political fund or on its behalf within the year in an aggregate amount in excess of \$100, the amount, date and purpose of each expenditure and the name and address of, and office sought by, for each candidate on whose behalf the expenditure was made and, in the case of independent expenditures made in opposition to a candidate, the name, address and office sought for each such candidate;

(h) The sum of individual expenditures not otherwise reported under clause (g);

(i) The total expenditures made by the political committee or political fund during the reporting period;

(j) The amount and nature of any debt or obligation owed by or to the political committee or political fund, continuously reported until extinguished, and any written contract, promise or agreement to make a contribution or expenditure; and

(k) *The sum of all expenditures which are not made for the purpose of influencing the nomination for election or election of any candidate to office; and*

~~(k)~~ (l) For principal campaign committees only: The name of each person, committee or political fund, which has been authorized by the treasurer to make expenditures on behalf of the candidate and the nature and amount of each authorized expenditure.

Sec. 37. Minnesota Statutes 1976, Section 10A.20, Subdivision 4, is amended to read:

Subd. 4. *The reports A report shall cover the time period from the last day of the period covered by the last previous report to seven days prior to the filing date, except that the report due on January 31, shall cover the period from the last day covered by the previous report to December 31.*

Sec. 38. Minnesota Statutes 1976, Section 10A.20, Subdivision 6, is amended to read:

Subd. 6. *Every person, other than a political committee or political fund, individual who makes independent expenditures, other than by contribution to a political committee or political fund, in an aggregate amount in excess of \$100 within a year shall file with the board a statement containing the information required of a political committee, or political fund or candidate. Statements required by this subdivision shall be filed on the dates on which reports by committees and funds are filed.*

Sec. 39. Minnesota Statutes 1976, Section 10A.20, is amended by adding a subdivision to read:

Subd. 6a. *Any political committee or political fund or any individual filing a report or statement disclosing any independent expenditure pursuant to subdivisions 3 or 6 shall file with that report or statement a sworn statement that the expenditures so disclosed were not made with the authorization of or in cooperation or consultation with any candidate, his principal campaign committee or his agent and was not made in concert with or at the request or suggestion of any candidate, his principal campaign committee or his agent.*

Sec. 40. Minnesota Statutes 1976, Section 10A.20, Subdivision 8, is amended to read:

Subd. 8. *The board shall exempt any association or any of*

~~its members or contributors~~ *member of or contributor to any association, political committee or political fund or any other individual from the provisions of this section if the member, contributor or other individual demonstrates by clear and convincing evidence that disclosure would expose any or all of them* him to economic reprisals, loss of employment or threat of physical coercion.

An association, *political committee or political fund* may seek an exemption for all of its members or contributors ~~only~~ if it ~~proves~~ *demonstrates* by clear and convincing evidence that a substantial number of its members or contributors would suffer a restrictive effect on their freedom of association if members were required to seek exemptions individually.

Sec. 41. Minnesota Statutes, 1977 Supplement, Section 10A.20, Subdivision 10, is amended to read:

Subd. 10. ~~A Any individual, association, political committee or a political fund or any of its members or contributors shall have standing to seek seeking an exemption pursuant to subdivision 8 shall submit a written application for exemption to the board .~~ Upon receipt of an application for exemption the board shall give notice to all persons known to the board to have an interest in the application and publish notice of the filing of the application in the state register. The board may ~~without hearing grant or deny~~ the exemption 30 days after notice of the filing has been fully made . ~~If unless the board receives a written objection to the application from any person within 20 days after the notice of filing has been fully made .~~ ~~If a written objection is so received the exemption shall be granted or denied only after a contested case hearing has been held on the application. The board may elect to hold a contested case hearing if no objections to the application are received. If a timely objection is not received and the board denies the exemption without hearing the applicant may request, within 30 days of receiving a notice of denial, and shall be granted a contested case hearing on the application. The board shall issue a written order granting or denying any application and stating the reasons for its action. The board by rule shall establish a procedure so that any individual seeking an exemption may proceed anonymously if he would be exposed to the reprisals listed in subdivision 9 8 were he to reveal his identity for the purposes of the a hearing.~~

Sec. 42. Minnesota Statutes 1976, Section 10A.20, Subdivision 12, is amended to read:

Subd. 12. The board shall notify by *certified mail* any person who fails to file a statement required by this section. *If a person fails to file a statement due January 31 within seven days after receiving this notice, the board may impose a late filing fee of \$20 per day, not to exceed \$200, commencing on the eighth day after receiving notice. If a person fails to file a statement due before any election within three days of the*

date due, regardless of whether the person has received any notice, the board may impose a late filing fee of \$50 per day, not to exceed \$500, commencing on the fourth day after the date the statement was due. The board shall further notify by certified mail any person who fails to file any statement within 14 days after receiving a first notice from the board that the person may be subject to a criminal penalty for failure to file a statement. A person who knowingly fails to file the statement within seven days after receiving a second notice from the board is guilty of a misdemeanor.

Sec. 43. Minnesota Statutes 1976, Section 10A.21, Subdivision 1, is amended to read:

10A.21 [REPORTS TO COUNTY AUDITOR.] Subdivision 1. All reports or statements that must be filed with the board by the principal campaign committee of legislative candidates and statements of economic interest filed by candidates for and members of the legislature shall be duplicated and filed by the board with the county auditor of each county in which the legislative district lies within 72 hours of the date the report or statement is required to be filed or, if the report or statement is delinquent, within 72 hours of the time the report is actually filed.

Sec. 44. Minnesota Statutes 1976, Section 10A.21, Subdivision 3, is amended to read:

Subd. 3. Statements and reports filed with county auditor shall be available to the public in the manner prescribed by section 10A.02, subdivision 8, clause (e) and . *Statements and reports of principal campaign committees shall be retained until four years after the election to which they pertain. Economic interest statements shall be retained until the subject of the statement is no longer a candidate for or a member of the legislature.*

Sec. 45. Minnesota Statutes 1976, Section 10A.22, is amended by adding a subdivision to read:

Subd. 3a. Any approved expenditure not paid out of the account of a candidate's principal campaign committee shall be reported in the same manner as a contribution in kind to the principal campaign committee of the candidate who approved or whose principal campaign committee or agent approved the expenditure.

Sec. 46. Minnesota Statutes 1976, Section 10A.22, Subdivision 7, is amended to read:

Subd. 7. The treasurer of a political committee or political fund shall not accept a contribution of more than \$100 from a political committee or political fund not registered in this state unless the contribution is accompanied by a written statement which meets the disclosure requirements imposed by section 10A.20. This statement shall be certified as true and correct by an officer of the contributing political committee or political

fund. *The political committee or political fund that accepts the contribution shall include a copy of the statement with the report that discloses the contribution to the board.* The provisions of this subdivision shall not apply when ~~the a~~ national affiliate of any political party in this state transfers money to its state affiliate *in this state* and that money is expended by the state political party on behalf of candidates of that party generally, without referring to any of them specifically, in any advertisement published or posted, on any broadcast, or in any telephone conversation if that conversation mentions three or more candidates affiliate for any purpose listed in section 62 .

Sec. 47. Minnesota Statutes 1976, Section 10A.24, is amended to read:

10A.24 [DISSOLUTION OR TERMINATION.] No political committee or political fund shall dissolve until it has settled all of its debts *and disposed of all its assets in excess of \$100* and filed a termination report. The termination report *may be made at any time and* shall include all information required in periodic reports and a statement as to the disposition of any residual funds .

Sec. 48. Minnesota Statutes 1976, Section 10A.25, Subdivision 1, is amended to read:

10A.25 [LIMITS ON CAMPAIGN EXPENDITURES.] Subdivision 1. For the purposes of sections 10A.11 to 10A.34 a candidate for governor and a candidate for lieutenant governor, running together, shall be deemed to be a single candidate and all *approved* expenditures made by or on behalf of the candidate for governor and all *approved* expenditures made by or on behalf of the candidate for lieutenant governor shall be considered to be *approved* expenditures by or on behalf of the candidate for governor.

Sec. 49. Minnesota Statutes 1976, Section 10A.25, Subdivision 2, is amended to read:

Subd. 2. In a year in which a candidate stands for election no *approved* expenditures shall be made and no obligations to make *approved* expenditures shall be incurred by a candidate or by a political committee, political fund or individual which makes expenditures with the authorization, express or implied, and under the control, direct or indirect, of the candidate or his agents, his agent or principal campaign committee which results in the aggregate expenditure *approved expenditures* on behalf of the candidate of an amount in excess of the following amounts:

(a) For governor and lieutenant governor, running jointly, 12½ cents per capita or \$600,000, whichever is greater;

(b) For attorney general, 2½ cents per capita or \$100,000, whichever is greater;

(c) For secretary of state, state treasurer and state auditor, separately, 1¼ cents per capita or \$50,000, whichever is greater;

(d) For state senator, 20 cents per capita or \$15,000, whichever is greater;

(e) For state representative, 20 cents per capita or \$7,500, whichever is greater.

Sec. 50. Minnesota Statutes 1976, Section 10A.25, Subdivision 3, is amended to read:

Subd. 3. Notwithstanding subdivision 2, clause (a), a candidate for the endorsement for the office of lieutenant governor at the convention of a political party may ~~spend~~ *incur approved expenditures in the amount of \$30,000 or five percent of the amount in subdivision 2, clause (a), whichever is greater,* to seek endorsement. This amount shall be in addition to the amount which may be expended pursuant to subdivision 2, clause (a).

Sec. 51. Minnesota Statutes 1976, Section 10A.25, Subdivision 5, is amended to read:

Subd. 5. If the winning candidate in a contested race in a primary election receives less than twice as many votes as any one of his opponents in that election, he shall have added to the aggregate amount of *approved expenditures* which may be expended by him or made on his behalf an amount equal to one-fifth of the applicable amount as set forth in subdivision 2, or the amount of *approved expenditures* actually expended by him or made on his behalf in the primary election, whichever is less.

Sec. 52. Minnesota Statutes 1976, Section 10A.25, Subdivision 6, is amended to read:

Subd. 6. In a year in which an election does not occur for an office held or sought, no *approved* expenditures shall be made and no obligations to make *approved* expenditures shall be incurred by a candidate or officeholder or by a political committee, political fund or individual which makes expenditures with the authorization, express or implied, and under the control, direct or indirect, of the candidate or officeholder or his agents which shall result ~~results~~ in the aggregate expenditure *approved expenditures* on behalf of the candidate or officeholder a candidate for or holder of that office in that year of an amount in excess of 20 percent of the amount of the aggregate expenditure permitted by subdivision 2. Expenditures permitted by this subdivision shall be in addition to expenditures permitted by subdivision 2.

Sec. 53. Minnesota Statutes 1976, Section 10A.25, is amended by adding a subdivision to read:

Subd. 6a. No candidate shall make or incur any expenditure on his own behalf which exceeds the amount which may be accepted by his principal campaign committee as a contribution from an individual pursuant to section 10A.27. Any such expenditure shall be included in and shall not be in addition to the other limits imposed by this section.

Sec. 54. Minnesota Statutes 1976, Section 10A.25, Subdivision 7, is amended to read:

Subd. 7. On or before ~~January 15~~ *December 1* of each year, the state demographer shall certify to the board the estimated population of the state of Minnesota for the ~~last year ending before the date of certification.~~ *In determining the per capita amounts for each office in subdivision 2, the board shall use next calendar year. On or before December 31 of each year the board shall determine and publish in the state register the expenditure limits for each office for the next calendar year as prescribed by subdivision 2, using the following estimated population figures :*

(a) ~~In the case of the elections~~ *For the offices of governor and lieutenant governor, attorney general, secretary of state, state treasurer and state auditor, the total estimated population of the state;*

(b) ~~In the case of the elections~~ *For the office of state senator, 1/67 of the total estimated population of the state;*

(c) ~~In the case of elections~~ *For the office of state representative, 1/134 of the total estimated population of the state. The limits shall be rounded off to the nearest \$100.*

Sec. 55. Minnesota Statutes 1976, Section 10A.25, is amended by adding a subdivision to read:

Subd. 10. The expenditure limits prescribed by this section apply only to candidates and officeholders who agree to be bound by the limits (a) pursuant to section 10A.32, subdivision 3, as a condition of receiving money from the state elections campaign fund or (b) pursuant to section 77, as a condition of issuing vouchers to contributors for the purpose of claiming a credit against taxable income.

Sec. 56. Minnesota Statutes 1976, Section 10A.26, is amended to read:

10A.26 [TRANSFERS OF FUNDS EXCEPTED.] Any transfer of funds or anything of pecuniary value from any political committee, political fund or political party to a *the* principal campaign committee of a candidate shall not be considered to be an expenditure of funds on behalf of the candidate by the political committee, political fund or political party, but shall be reported as required by ~~Laws 1974, Chapter 470~~ *chapter 10A*.

Sec. 57. Minnesota Statutes 1976, Section 10A.27, Subdivision 1, is amended to read:

10A.27 [ADDITIONAL LIMITATIONS.] Subdivision 1. No ~~political committee, political fund, or individual, except a political party or the treasurer of any principal campaign committee of a candidate shall make expenditures on behalf or in opposition to the opponent of a accept contributions to that candidate, or transfer transfers of funds to the that principal campaign committee of a candidate, in an amount from any political committee,~~

political fund or individual, except a political party, in excess of ten percent of the amount that may be spent by or on behalf of that candidate as set forth in section 10A.25, following amounts:

(a) To candidates for governor and lieutenant governor running jointly, \$60,000 in an election year and \$12,000 in a nonelection year;

(b) To a candidate for attorney general, \$10,000 in an election year and \$2,000 in a nonelection year;

(c) For a candidate for the office of secretary of state, state treasurer or state auditor, \$5,000 in an election year and \$1,000 in a nonelection year;

(d) To a candidate for state senator, \$1,500 in an election year and \$300 in a nonelection year;

(e) To a candidate for state representative, \$750 in an election year and \$150 in a nonelection year.

Sec. 58. Minnesota Statutes 1976, Section 10A.27, Subdivision 2, is amended to read:

Subd. 2. No political party treasurer of any principal campaign committee of a candidate shall make expenditures on behalf of a accept contributions to that candidate or transfer transfers of funds to the that principal campaign committee of a candidate in an amount from any political party in excess of 50 percent of five times the amount that may be spent by or on behalf of contributed to that candidate by a political committee as set forth in section 10A.25 subdivision 1.

Sec. 59. Minnesota Statutes 1976, Section 10A.27, Subdivision 4, is amended to read:

Subd. 4. For the purposes purpose of this section, a :

(a) "election year" means a year in which an election is held for the office sought by the candidate; and

(b) "political party includes a " means the aggregate of all of the affiliates of a state political party's organization within congressional districts, counties, legislative districts, municipalities, wards, precincts, and any legislative body party as listed in the statement of organization of the state political party filed with the board pursuant to section 10A.14.

Sec. 60. Minnesota Statutes 1976, Section 10A.27, is amended by adding a subdivision to read:

Subd. 5. The contribution limits of subdivision 1 apply to contributions to a candidate which are made by that candidate or any member of his immediate family if that candidate is subject to the expenditure limits of section 10A.25.

Sec. 61. Minnesota Statutes 1976, Section 10A.27, is amended by adding a subdivision to read:

Subd. 6. For the purpose of this section:

(a) *an approved expenditure which is not paid from the account of a principal campaign committee of a candidate shall be considered a contribution to the candidate who approved or whose agent or principal campaign committee approved the expenditure; and*

(b) *an independent expenditure shall not be considered a contribution on behalf of any candidate.*

Sec. 62. Minnesota Statutes 1976, Chapter 10A, is amended by adding a section to read:

[10A.275] [MULTI-CANDIDATE POLITICAL PARTY EXPENDITURES.] *Notwithstanding any other provisions of this chapter, the following expenditures by a state political party or an affiliate of a state political party as listed in the statement of organization of that political party filed pursuant to section 10A.14 shall not be considered expenditures or contributions on behalf of any candidate for the purposes of sections 10A.25 or 10A.27, and shall not be allocated to any candidates pursuant to section 10A.22, subdivision 5:*

(a) *expenditures on behalf of candidates of that party generally without referring to any of them specifically in any advertisement published, posted or broadcast;*

(b) *expenditures for the preparation, display, mailing or other distribution of an official party sample ballot listing the names of three or more persons whose names are to appear on the ballot;*

(c) *expenditures for any telephone conversation including the names of three or more persons whose names are to appear on the ballot; or*

(d) *expenditures for any political party fundraiser on behalf of three or more candidates. A fundraiser is on behalf of a candidate if the candidate or his agent gives authorization or consent, express or implied, for the fundraiser to be on behalf of the candidate and the candidate receives a substantial amount of any proceeds from the fundraiser.*

Sec. 63. Minnesota Statutes 1976, Section 10A.28, is amended to read:

10A.28 [PENALTY FOR EXCEEDING LIMITS.] *Any person or association that Subdivision 1. The principal campaign committee of a candidate subject to the expenditure limits of section 10A.25 or any such candidate or his agent who makes or incurs approved expenditures in excess of the limitations imposed by sections section 10A.25 and 10A.27 shall be subject to a civil fine equal to of not less than the amount by which the limitation was exceeded and not more than four times the that amount by which its expenditure exceeded the limit.*

Subd. 2. The treasurer of any principal campaign committee and any such committee that accepts contributions in excess of the limitations imposed by section 10A.27 shall be subject to a civil

fine of not less than the amount by which the limitation was exceeded and not more than four times that amount.

Subd. 3. If the board or county attorney has finds that there is reason to believe that a person or association has made such excess expenditures have been made or excess contributions accepted contrary to the provisions of subdivisions 1 or 2 the board shall make every effort for a period of not less than 14 days after its finding to correct the matter by informal methods of conference and conciliation and to enter a conciliation agreement with the person involved. A conciliation agreement made pursuant to this subdivision shall be a matter of public record. Unless violated, a conciliation agreement shall be a bar to any civil proceeding under subdivision 4.

Subd. 4. If the board is unable after a reasonable time to correct by informal methods any matter which constitutes probable cause to believe that excess expenditures have been made or excess contributions accepted contrary to subdivisions 1 or 2, the board or county attorney shall make a public finding of probable cause in the matter and shall bring an action, or transmit the finding to a county attorney who shall bring an action, in the district court of Ramsey county or, in the case of a legislative candidate, the district court of a county within the legislative district, to impose this penalty a civil fine as prescribed by the board pursuant to subdivision 1 or subdivision 2. All moneys recovered pursuant to this section shall be deposited in the general account of state elections campaign fund.

Sec. 64. Minnesota Statutes 1976, Section 10A.29, is amended to read:

10A.29 [CIRCUMVENTION PROHIBITED.] Any attempt by a person to circumvent the provisions of Laws 1974, Chapter 470, Sections 11 to 41 chapter 10A by redirecting funds through, or contributing funds of behalf of, another person is a gross misdemeanor.

Sec. 65. Minnesota Statutes 1976, Section 10A.31, Subdivision 1, is amended to read:

10A.31 [DESIGNATION OF INCOME TAX PAYMENTS.] Subdivision 1. Effective with the taxable years beginning after December 31, 1973, every individual whose income tax liability after personal credit for the taxable year is \$1 or more who files a tax return with the commissioner of revenue may designate that \$1 shall be paid from the general fund of the state into the state elections campaign fund. In the case of a joint return of husband and wife having an income tax liability of \$2 or more, each spouse may designate that \$1 shall be paid. The commissioner of revenue shall provide simplified forms to the public for use by individuals not otherwise required to file an income tax return for the purpose of designating a payment as provided in this subdivision.

Sec. 66. Minnesota Statutes 1976, Section 10A.31, Subdivision 3, is amended to read:

Subd. 3. The commissioner of the department of revenue shall on the first page of the income tax form notify the taxpayer of his right to allocate \$1 of his taxes (\$2 if filing a joint return) *from the general fund of the state* to finance the election campaigns of state candidates. The form shall also contain language prepared by the commissioner which permits the taxpayer to direct the state to allocate the \$1 (or \$2 if filing a joint return) to: (i) one of the major political parties; (ii) any minor political party which qualifies under the provisions of subdivision 3a; or (iii) all qualifying candidates as provided by subdivision 7.

Sec. 67. Minnesota Statutes 1976, Section 10A.31, Subdivision 3a, is amended to read:

Subd. 3a. A minor political party qualifies for inclusion on the income tax form as provided in subdivision 3 if a candidate of that party filed for an office in the preceding general election *and received not less than five percent of the votes cast for that office*, or if a petition on behalf of that party is filed as provided in section 10A.01, subdivision 13, by June 1 of the taxable year.

Sec. 68. Minnesota Statutes 1976, Section 10A.31, Subdivision 5, is amended to read:

Subd. 5. In each calendar year the moneys in each party account and the general account shall be allocated to candidates as follows:

(a) 16 percent for the offices of governor and lieutenant governor jointly;

(b) 9.6 percent for the office of attorney general;

(c) 4.8 percent each for the offices of secretary of state, state auditor and state treasurer;

(d) in each calendar year during the period in which state senators serve a four year term, 20 percent for the office of state senator and 40 percent for the office of state representative;

(e) in each calendar year during the period in which state senators serve a two year term, and in 1975 and 1976, 30 percent each for the offices of state senator and state representative;

(f) all candidates of one party for the state senate and state house of representatives whose names are to appear on the ballot in the general election shall share equally in the funds allocated to their respective offices from their party account. *Each candidate of a political party for the office of state senator or state representative shall receive that fraction of the money allocated to that office from his party account which is equal to the number of dollars allocated to that party account by the taxpayers of his legislative district divided by the number of dollars allocated to that party account statewide.*

Moneys from any party account refused by any candidate shall be distributed to all other statewide candidates of that

party in proportion to their shares as provided in this subdivision. Moneys from the general account refused by any candidate shall be distributed to all other qualifying candidates in proportion to their shares as provided in this subdivision.

Beginning with calendar year 1977 and applying to taxable year 1976, the allocations from the state elections campaign fund shall be: 21 percent for the offices of governor and lieutenant governor filing jointly; 3.6 percent for the office of attorney general; 1.8 percent each for the offices of secretary of state, state auditor, and state treasurer; in each calendar year during the period in which state senators serve a four year term, $23\frac{1}{3}$ percent for the office of state senator and $46\frac{2}{3}$ percent for the office of state representative; and in each calendar year during the period in which state senators serve a two year term, 35 percent each for the offices of state senator and state representative.

Sec. 69. Minnesota Statutes 1976, Section 10A.31, Subdivision 6, is amended to read:

Subd. 6. Within two weeks after certification by the state canvassing board of the results of the primary, the state treasurer shall distribute the available funds in each party account, as certified by the commissioner of revenue on September 15, to the candidates of that party who have signed the agreement as provided in section 10A.32, subdivision 3, and whose names are to appear on the ballot in the general election, according to the allocations set forth in subdivision 5. *On September 15 of each even numbered year, the commissioner of revenue shall determine and certify to the board the amount of money available to distribute in each party account and the amount allocated to each party account by the taxpayers in each legislative district.* If there is no candidate of a party for any one office designated in subdivision 5 in any year in which that office appears on the ballot, the allocation for that office shall be distributed to all other *statewide* candidates of that party in proportion to their shares as set forth in subdivision 5.

Sec. 70. Minnesota Statutes 1976, Section 10A.31, is amended by adding a subdivision to read:

Subd. 11. For the purposes of section 10A.31, a write-in candidate is not a candidate unless he complies with the provisions of section 10A.32, subdivision 3.

Sec. 71. Minnesota Statutes 1976, Section 10A.32, Subdivision 1, is amended to read:

10A.32 [LIMITATIONS UPON THE STATE ELECTION CAMPAIGN FUND.] Subdivision 1. No candidate shall be entitled to receive from the state elections campaign fund an amount greater than the total amount of expenditures which may be made by him or on his behalf under sections section 10A.25 and 10A.27. The amount by which the allocation exceeds the expenditure limit shall be distributed to all other candidates of the same party whose shares do not exceed their

expenditure limits in proportion to their shares as set forth in section 10A.31.

Sec. 72. Minnesota Statutes 1976, Section 10A.32, Subdivision 2, is amended to read:

Subd. 2. No candidate shall be entitled to receive from the state election campaign fund an amount greater than the total amount of *approved expenditures* actually expended by him or made or incurred on his behalf in the year of the election. If the report required to be filed on or before January 31 in the year following the general election indicates that the amount received by the candidate is greater than the amount authorized to be actually expended on his behalf, the treasurer of his principal campaign committee shall refund to the state treasurer an amount equal to the difference. The refund in the form of a check or money order shall be submitted with such report and the board shall forward the refund to the state treasurer for deposit in the general account of the state elections campaign fund of the state.

Sec. 73. Minnesota Statutes 1976, Section 10A.32, Subdivision 3, is amended to read:

Subd. 3. As a condition of receiving any funds from the state elections campaign fund, any candidate, prior to receipt of the funds, shall agree by stating in writing to the board on or before September 1 that authorized *approved expenditures* on his behalf shall not exceed the expenditure limits as set forth in section 10A.25 and that his principal campaign committee shall not accept contributions for the period beginning with January 1 of the election year or the registration of his principal campaign committee, whichever occurs later, and ending December 31 of the election year which, *when added to any cash on hand in the account of the principal campaign committee on January 1 of that year*, exceed 105 percent of the difference between the amount which may legally be expended by him or on his behalf, and the amount which he receives from the state elections campaign fund. Any amount by which his total contributions exceed 105 percent of the difference shall be refunded to the state treasurer. The refund in the form of a check or money order shall be submitted in the same manner as provided in subdivision 2.

The agreement shall permit the candidate to accept contributions in excess of the 105 percent limit to the extent that the principal campaign committee of that candidate makes non campaign expenditures during the election year in an amount equal to the excess contributions accepted. For the purpose of this subdivision, "non campaign expenditure" means an expenditure which is not made for the purpose of influencing the nomination or election of a candidate, but does not include a transfer of funds from one principal campaign committee to another principal campaign committee.

For the purposes of this subdivision only, the total amount to be distributed to each candidate is calculated to be his share of the

total estimated funds in his party account as provided in subdivision 3a, plus the total amount estimated as provided in subdivision 3a to be in the general account and set aside for that office divided by the number of candidates whose names are to appear on the general election ballot for that office. *If for any reason the amount actually received by the candidate is greater by reason of a lesser number of qualifying candidates sharing in the funds in each account than his share of the estimate*, and his contributions thereby exceed 105 percent of the difference, the agreement shall not be considered violated.

Sec. 74. Minnesota Statutes 1976, Section 10A.32, Subdivision 3a, is amended to read:

Subd. 3a. The commissioner of revenue shall certify to the board on or before the last day for filing for office his estimate of the total to be accumulated in each account in the state elections campaign fund after 100 percent of the tax returns have been processed *and his estimate of the amount to be allocated to each party account by the taxpayers of each legislative district*. Within seven days after the last day for filing for office the secretary of state shall certify to the board the name, address, office sought, and party affiliation of each candidate who has filed with that office his affidavit of candidacy or petition to appear on the ballot. The auditor of each county shall certify to the board the same information for each candidate who has filed with that county his affidavit of candidacy or petition to appear on the ballot. Within seven days thereafter the board shall estimate the minimum amount to be received by each candidate who qualifies as provided in section 10A.31, subdivisions 6 and 7, and notify all candidates on or before August 15 of the applicable amount.

Sec. 75. Minnesota Statutes 1976, Section 10A.32, is amended by adding a subdivision to read:

Subd. 3b. A candidate, before September 1 of any election year, may rescind a public financing agreement made pursuant to subdivision 3, by filing a written statement to that effect with the board.

Sec. 76. Minnesota Statutes 1976, Section 10A.32, Subdivision 4, is amended to read:

Subd. 4. If a political party for whose candidates funds have been accumulated in the state elections campaign fund does not have a candidate for any office, the money shall be maintained in that account until the year of the next general election. If in two successive general election years that political party does not have a candidate for any office, the accumulated funds shall be transferred to the general account of the state elections campaign fund of the state.

Sec. 77. Minnesota Statutes 1976, Section 10A.32, is amended by adding a subdivision to read:

Subd. 5. Any candidate who qualifies under this subdivision may issue vouchers to any individual who contributes \$2 or more to his

principal campaign committee. Any vouchers issued to a contributor shall be in an amount equal to one half the amount contributed but shall not exceed \$50 to any one contributor. A voucher shall entitle the contributor who receives it to claim a credit against income tax liability subject to the provisions of section 290.06, subdivision 11.

Any candidate may qualify to issue vouchers as provided in this section, during any calendar year, by filing with the board, not later than February 1 of that year or the date on which the principal campaign committee of that candidate is registered with the board, whichever occurs later, a written statement agreeing that approved expenditures on his behalf shall not exceed the expenditure limits as set forth in section 10A.25, and that his principal campaign committee shall not accept contributions for the period beginning with January 1 of the election year or the registration of his principal campaign committee, whichever occurs later, and ending December 31 of the election year which, when added to the cash on hand in the account of the committee on January 1 of that year and any money received from the state elections campaign fund, exceed 105 percent of the expenditure limit set forth in section 10A.25.

The agreement shall permit the candidate to accept contributions in excess of the 105 percent limit to the extent that the principal campaign committee of that candidate makes non-campaign expenditures during the election year in an amount equal to the excess contributions accepted. For the purpose of this subdivision, "non-campaign expenditure" means an expenditure which is not made for the purpose of influencing the nomination or election of a candidate, but does not include a transfer of funds from one principal campaign committee to another principal campaign committee. An agreement may not be rescinded by any candidate who issues any vouchers to contributors.

Vouchers shall be in a form prescribed by the board. All vouchers issued by any one candidate shall be consecutively numbered and the candidate shall report the numbers of the vouchers issued together with the amount of each voucher to the board in the campaign report of the principal campaign report due after the general election or the termination report of the committee, whichever is submitted first.

The board shall transmit to the commissioner of revenue a copy of any agreement filed pursuant to this subdivision, together with a copy of the statement of organization of the principal campaign committee of the candidate filing the agreement and of the campaign report containing the numbers and amount of vouchers issued by the candidate.

Sec. 78. Minnesota Statutes 1976, Section 10A.33, is amended to read:

10A.33 [APPLICATION.] The provisions of sections 10A.30 to 10A.32 shall apply only in general elections and ~~primary elections~~ *primaries* preceding general elections and shall not include

apply to special elections, or special primary elections, conventions and caucuses of a political party primaries.

Sec. 79. Minnesota Statutes 1976, Section 10A.34, is amended by adding a subdivision to read:

Subd. 1a. The board may bring an action in the district court of Ramsey county to recover any late filing fee imposed pursuant to any provision of this chapter. All money recovered shall be deposited in the general fund of the state.

Sec. 80. Minnesota Statutes 1976, Section 290.06, Subdivision 11, is amended to read:

Subd. 11. [CONTRIBUTIONS TO POLITICAL PARTIES AND CANDIDATES.] Effective for taxable years commencing after December 31, 1973, in lieu of the credit against taxable net income provided by section 290.21, subdivision 3, clause (e), a taxpayer may take a credit against the tax due under this chapter of 50 percent but not more than ~~\$12.50~~ \$25 of his contributions to a political party and candidate. A married couple, filing jointly, may take a similar credit of not more than ~~\$25~~ \$50. However, the taxpayer may take a credit for contributions of no more than \$5 in the case of an individual return or \$10 in the case of a joint return for contributions to a political party. No credit shall be allowed under this subdivision for a contribution to any candidate, other than a candidate for elective judicial office, except upon submission by the taxpayer of a voucher issued to that taxpayer pursuant to section 77. For purposes of this subdivision, "candidate" means a candidate as defined in section 10A.01, subdivision 5. The department of revenue shall provide on the first page of the Minnesota tax form an appropriate provision for the credit provided by Laws 1974, Chapter 470.

This credit shall be allowed only if the contribution is verified in the manner the commissioner of revenue shall prescribe.

Sec. 81. Minnesota Statutes 1976, Section 290.21, is amended by adding a subdivision to read:

Subd. 4. No credit shall be allowed under subdivision 3, clause (e), for any contribution to a candidate as defined in section 10A.01, except a candidate for elective judicial office.

Sec. 82. *The ethical practices board may exercise emergency rulemaking authority as provided in section 15.0412, subdivision 5, to implement the provisions of chapter 10A which are amended by this act. The board shall solicit information and opinions from outside the board as provided in section 15.0412, subdivision 6, before adopting these rules. Notwithstanding the provisions of section 15.0412, subdivision 5, any rules adopted pursuant to this section shall be effective until permanent rules are adopted pursuant to chapter 15 or until October 1, 1979, whichever occurs first. This section expires October 1, 1979.*

Sec. 83. [REPEALER.] Minnesota Statutes 1976, Sections

10A.09, Subdivision 4, 10A.20, Subdivision 9, 10A.25, Subdivisions 4 and 8, and 10A.27, Subdivision 3, are repealed.

Sec. 84. [EFFECTIVE DATE.] *This act is effective the day following final enactment.*"

Further, strike the title and insert:

"A bill for an act relating to ethics in government; amending provisions concerning ethical practices board procedures, lobbyist activities and registration, economic interest disclosure, campaign finance disclosure, limitations on political contributions and expenditures and distribution of money from the state elections campaign fund; imposing late filing fees and other penalties; amending Minnesota Statutes 1976, Chapter 10A, by adding a section; and Sections 10A.01, Subdivisions 2, 5, 7, 9, 10, 13, 13, and by adding subdivisions; 10A.02, Subdivisions 4 and 11, and by adding a subdivision; 10A.03, Subdivision 1, and by adding a subdivision; 10A.04, Subdivisions 2 and 5; 10A.08; 10A.09, Subdivisions 5, 6 and 7; 10A.10; 10A.11, Subdivision 6; 10A.12, Subdivisions 4 and 5; 10A.13; 10A.14, Subdivisions 1, 2 and 4; 10A.15, Subdivisions 2 and 3; 10A.17, Subdivisions 2 and 5; 10A.19, Subdivision 1; 10A.20, Subdivisions 2, 3, 4, 6, 8 and 12, and by adding a subdivision; 10A.21, Subdivisions 1 and 3; 10A.22, Subdivision 7, and by adding a subdivision; 10A.24; 10A.25, Subdivisions 1, 2, 3, 5, 6 and 7, and by adding subdivisions; 10A.26; 10A.27, Subdivisions 1, 2, and 4, and by adding subdivisions; 10A.28; 10A.29; 10A.31, Subdivisions 1, 3, 3a, 5, and 6, and by adding a subdivision; 10A.32, Subdivisions 1, 2, 3, 3a and 4, and by adding subdivisions; 10A.33; 10A.34, by adding a subdivision; 290.06, Subdivision 11; and 290.21, by adding a subdivision; Minnesota Statutes, 1977 Supplement, Section 10A.20, Subdivision 10; and repealing Minnesota Statutes 1976, Sections 10A.09, Subdivision 4; 10A.20, Subdivision 9; 10A.25, Subdivisions 4 and 8; and 10A.27, Subdivision 3."

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

Pursuant to Rule 60, a roll call was taken on the recommendation to pass S. F. No. 1006.

There were yeas 6 and nays 3 as follows:

Those who voted in the affirmative were: Messrs. Gearty; Coleman; Johnson; Keefe, S.; Schaaf and Schmitz.

Those who voted in the negative were: Messrs. Jensen, Pillsbury and Ueland, A.

The bill passed the committee.

Mr. Laufenburger from the Committee on Employment, to which was referred the following appointment as reported in the Journal for January 17, 1978:

**BUREAU OF MEDIATION SERVICES
DIRECTOR**

Ernest H. Jones

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

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Laufenburger from the Committee on Employment, to which was referred the following appointment as reported in the Journal for May 17, 1977:

PUBLIC EMPLOYMENT RELATIONS BOARD

Lorraine Clark

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

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

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

The following appointment as reported in the Journal for January 19, 1978:

DEPARTMENT OF ECONOMIC SECURITY COMMISSIONER

Michael O'Donnell

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

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

The following appointment as reported in the Journal for May 9, 1977:

MINNESOTA BOARD ON AGING

A. L. Nelson

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

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which were referred

The following appointments as reported in the Journal for January 17, 1978:

**DEPARTMENT OF PUBLIC WELFARE
COMMISSIONER**

Edward J. Dirkswager, Jr.

MINNESOTA BOARD ON AGING

Marty Martinovich

Joe Sherin

Archie Baumann

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

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which were referred

The following appointments as reported in the Journal for May 2, 1977:

MINNESOTA BOARD ON AGING

Sharon Roe Anderson

Father Alcuin Henger

William Brummer

Helga Neilsen

Dr. Virgil Christensen

Leo Skarda

Nathaniel Chumley

Erma St. George

Mrs. William Fenelon

Harold Windingstad, Jr.

GILLETTE HOSPITAL BOARD

Harold W. Schultz

Clifford Retherford

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

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Coleman from the Subcommittee on Bill Scheduling, to which were referred S. F. Nos. 1617, 1612, 1613, 1614 and H. F. No. 1500 makes the following report:

That S. F. Nos. 1617, 1612, 1613, 1614 and H. F. No. 1500 be placed on the General Orders Calendar in the order indicated.

That there were no other bills before the Subcommittee on which floor action was requested. Report adopted.

SECOND READING OF SENATE BILLS

S. F. No. 1607 was read the second time and referred to the

Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS

Mr. Strand moved that his name be stricken as co-author to S. F. No. 304. The motion prevailed.

Mr. Sikorski moved that the name of Mr. Chenoweth be added as co-author to S. F. No. 644. The motion prevailed.

Mr. Chmielewski moved that the name of Mr. Menning be stricken as co-author to S. F. No. 1010. The motion prevailed.

Mr. Peterson moved that the name of Mr. Merriam be added as co-author to S. F. No. 1583. The motion prevailed.

Mr. Nichols moved that the name of Mr. Menning be added as co-author to S. F. No. 1626. The motion prevailed.

Mr. Solon moved that the names of Messrs. Ulland, J.; Johnson and Chmielewski be added as co-authors to S. F. No. 1642. The motion prevailed.

Mr. Sikorski moved that the names of Messrs. Stumpf and Johnson be added as co-authors to S. F. No. 1653. The motion prevailed.

Mr. Sieloff moved that the name of Mr. Frederick be added as co-author to S. F. No. 1668. The motion prevailed.

Mr. Peterson moved that the name of Mr. Purfeerst be added as co-author to S. F. No. 1674. The motion prevailed.

Mr. Johnson moved that the name of Mr. Peterson be added as co-author to S. F. No. 1692. The motion prevailed.

Mr. Humphrey moved that the name of Mr. Luther be added as co-author to S. F. No. 1706. The motion prevailed.

Mr. McCutcheon moved that the name of Mr. Peterson be added as co-author to S. F. No. 1581. The motion prevailed.

Mr. McCutcheon moved that the name of Mr. Peterson be added as co-author to S. F. No. 1582. The motion prevailed.

RECESS

Mr. Coleman moved that the Senate do now recess until 11:40 o'clock a.m. The motion prevailed.

The hour of 11:40 o'clock a.m. having arrived, the President called the Senate to order.

RECESS

Mr. Coleman moved that the Senate do now recess until immediately after the conclusion of the Joint Convention. The motion prevailed.

The Senate reconvened at the appropriate time.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Borden moved that the Senate do now adjourn until 10:00 o'clock a.m., Thursday, January 26, 1978. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SIXTY-SIXTH DAY

St. Paul, Minnesota, Thursday, January 26, 1978

The Senate met at 10:00 o'clock a.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. Dave S. Schneider.

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

Anderson	Engler	Knoll	Penny	Solon
Ashbach	Frederick	Knutson	Perpich	Spear
Bang	Gearty	Laufenburger	Peterson	Staples
Benedict	Gunderson	Lewis	Pillsbury	Stokowski
Bernhagen	Hanson	Luther	Purfeerst	Strand
Borden	Hughes	McCutcheon	Renneke	Stumpf
Brataas	Jensen	Menning	Schaaf	Ueland, A.
Chenoweth	Johnson	Merriam	Schmitz	Ulland, J.
Chmielewski	Keefe, J.	Moe	Schrom	Vega
Coleman	Keefe, S.	Nelson	Setzepfandt	Wegener
Davies	Kirchner	Nichols	Sieloff	Willet
Dietrich	Kleinbaum	Ogdahl	Sikorski	
Dunn	Knaak	Olhoft	Sillers	

The President declared a quorum present.

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

MEMBERS EXCUSED

Messrs. Humphrey, Lessard and Tennesen were excused from the Session of today.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Kleinbaum, Stumpf and Merriam introduced—

S. F. No. 1722: A bill for an act relating to education; providing educational aids for children attending nonpublic schools; appropriating money; amending Minnesota Statutes 1976, Sections 120.17, Subdivision 9; 123.931; 123.932, Subdivision 7, and by adding subdivisions; 123.933; 123.935; 123.936; 123.937; 124.212, by adding a subdivision; and Chapter 123, by adding a section;

Minnesota Statutes, 1977 Supplement, Section 124.212, Subdivision 9a; repealing Minnesota Statutes 1976, Sections 123.932, Subdivisions 1, 6 and 8; 123.934; and Laws 1977, Chapter 447, Article VI, Section 12.

Referred to the Committee on Education.

Mr. Lewis introduced—

S. F. No. 1723: A bill for an act relating to corrections; providing for the classification and compensation of persons engaged in the sale of products manufactured or processed in correctional institutions; amending Minnesota Statutes 1976, Section 43.12, by adding a subdivision.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Ueland, A. and Penny introduced—

S. F. No. 1724: A bill for an act relating to highway traffic regulation; waiving weight limitations on certain highways; amending Minnesota Statutes 1976, Section 169.83, by adding a subdivision.

Referred to the Committee on Transportation.

Messrs. Keefe, S.; Vega; Laufenburger; Luther and Sillers introduced—

S. F. No. 1725: A bill for an act relating to migrant labor; establishing a study commission on migrant labor; appropriating money.

Referred to the Committee on Employment.

Messrs. Ogdahl, Renneke and Stokowski introduced—

S. F. No. 1726: A bill for an act relating to retirement; fractional years of service for judges; amending Minnesota Statutes 1976, Sections 490.121, Subdivision 4; and 490.124, Subdivision 1.

Referred to the Committee on Governmental Operations.

Messrs. Moe, Willet and Lessard introduced—

S. F. No. 1727: A bill for an act relating to state parks; deleting certain lands from the boundaries of Itasca state park; repealing Laws 1976, Chapter 110, Section 2.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Humphrey, Chenoweth, Coleman and Ogdahl introduced—

S. F. No. 1728: A bill for an act relating to the legislature; cre-

ating a committee on human and economic development; prescribing duties.

Referred to the Committee on Rules and Administration.

Messrs. Stumpf, McCutcheon, Chenoweth and Coleman introduced—

S. F. No. 1729: A bill for an act relating to the city of St. Paul; liquor patrol limits; repealing Special Laws 1885, Chapter 281, Section 6.

Referred to the Committee on Local Government.

Messrs. Tennesen, Perpich, Spear, Renneke and Lewis introduced—

S. F. No. 1730: A bill for an act relating to public welfare; extending the pilot dental health program; appropriating money; amending Laws 1976, Chapter 305, Sections 3 and 4, Subdivision 3.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Stokowski, Chenoweth, McCutcheon, Ogdahl and Solon introduced—

S. F. No. 1731: A bill for an act relating to retirement; teachers retirement fund associations in cities of the first class; providing for increased employer contributions by the state; appropriating money; amending Minnesota Statutes 1976, Section 354A.12.

Referred to the Committee on Governmental Operations.

Mr. Stokowski introduced—

S. F. No. 1732: A bill for an act relating to retirement; providing for a limitation on public employment while receiving a public pension or benefit; providing penalties.

Referred to the Committee on Governmental Operations.

Mr. Lewis, Mrs. Staples, Messrs. Kirchner and Sikorski introduced—

S. F. No. 1733: A bill for an act relating to public health; requiring certain immunizations for students; amending Minnesota Statutes 1976, Section 123.70.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Lewis introduced—

S. F. No. 1734: A bill for an act relating to police officers in cities of the first class; prohibiting employment of police officers

for the purpose of maintaining law and order in bottle clubs or certain establishments licensed for the sale of liquor; providing penalties.

Referred to the Committee on Local Government.

Messrs. Bernhagen, Olhoff, Renneke, Frederick and Ashbach introduced—

S. F. No. 1735: A bill for an act relating to welfare; providing for direct vendor payments of general assistance; amending Minnesota Statutes 1976, Section 256D.09.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Hanson introduced—

S. F. No. 1736: A bill for an act relating to the firemen's relief association of the city of Karlstad; computation of years of service for volunteer firemen.

Referred to the Committee on Governmental Operations.

Messrs. Nichols, Setzepfandt, Menning and Strand introduced—

S. F. No. 1737: A bill for an act relating to flood plain management; authorizing counties within the southern Minnesota river basin area II to levy an additional tax; amending Minnesota Statutes, 1977 Supplement, Section 275.50, Subdivision 5.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Luther, Schrom, Merriam, Hanson and Moe introduced—

S. F. No. 1738: A bill for an act relating to game and fish; increasing certain nonresident license fees; amending Minnesota Statutes 1976; Section 98.46, Subdivisions 14, as amended, and 15.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Hanson, Moe, Sillers, Strand and Nichols introduced—

S. F. No. 1739: A bill for an act relating to agriculture; commodities promotion; modifying check off provisions; providing for election polling places; amending Minnesota Statutes 1976, Sections 17.54, Subdivision 3; and 17.59, Subdivision 1.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Vega, Sieloff, Strand, Knoll and Dieterich introduced—

S. F. No. 1740: A bill for an act relating to minors; amending

definition of criminal nonsupport of children to include children between 16 and 18 years of age; amending Minnesota Statutes 1976, Section 609.37.

Referred to the Committee on Judiciary.

Mr. McCutcheon introduced—

S. F. No. 1741: A bill for an act relating to taxation; providing for a sales tax on goods purchased by governmental agencies and subdivisions for use by nonexempt construction contractors; amending Minnesota Statutes 1976, Section 297A.25, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Sieloff and Mrs. Knaak introduced—

S. F. No. 1742: A bill for an act relating to Ramsey county; exempting the law librarian from membership in the public employees retirement association.

Referred to the Committee on Governmental Operations.

Messrs. Willet, Peterson, Merriam and Dunn introduced—

S. F. No. 1743: A bill for an act relating to natural resources; clarifying the procedure for designation of wild, scenic and recreational rivers; amending Minnesota Statutes 1976, Section 104.35, Subdivision 3.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Willet and Schrom introduced—

S. F. No. 1744: A bill for an act relating to regional development; dissolution of regional commissions; amending Minnesota Statutes 1976, Chapter 462, by adding a section.

Referred to the Committee on Local Government.

Mr. Willet introduced—

S. F. No. 1745: A bill for an act relating to state lands; authorizing the conveyance by the state of certain lands in Beltrami county.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Menning, Olson, Willet and Bernhagen introduced—

S. F. No. 1746: A bill for an act relating to public health and welfare; establishing a state advisory council for home and family;

prescribing its membership, powers, and duties; appropriating money.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Vega; Nelson; Keefe, S.; Ashbach and McCutcheon introduced—

S. F. No. 1747: A bill for an act relating to public employment labor relations; making certain matters mandatorily negotiable; allowing employers alternate remedies in grievance proceedings or civil service appeals; amending Minnesota Statutes 1976, Sections 179.63, Subdivision 18 and 179.70, Subdivision 1.

Referred to the Committee on Employment.

Messrs. Spear; Knoll; Keefe, S.; Ogdahl and Davies introduced—

S. F. No. 1748: A bill for an act relating to special school district No. 1 of the city of Minneapolis; establishing four year terms of office for directors of the board of education; amending Laws 1959, Chapter 462, Section 3, Subdivision 1, as amended and renumbered.

Referred to the Committee on Local Government. Mr. Hughes questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Schaaf introduced—

S. F. No. 1749: A bill for an act relating to the board of architecture, engineering, land surveying and landscape architecture; defining practice of land surveying; providing for the selection process for the appointment of engineer members to the board; specifying meeting times; and prescribing certain duties of the board relating to record keeping and certification; amending Minnesota Statutes 1976, Sections 326.02, Subdivisions 4 and 4a; 326.04; 326.06; 326.07; 326.09; 326.10, Subdivision 1, and by adding a subdivision; and 326.13; repealing Minnesota Statutes 1976, Sections 326.03, Subdivision 4; and 326.10, Subdivision 7.

Referred to the Committee on Commerce.

Mr. Schaaf introduced—

S. F. No. 1750: A bill for an act relating to examining and licensing boards; concerning public health; requiring information at the time of license application; allowing the collection of information at the time of license renewal; amending Minnesota Statutes 1976, Chapter 214, by adding sections.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Schaaf introduced—

S. F. No. 1751: A bill for an act relating to health; limiting expenditures of executive secretaries of certain boards; amending Minnesota Statutes 1976, Section 16A.16.

Referred to the Committee on Governmental Operations.

Messrs. Strand, Nichols, Olhoft and Mrs. Brataas introduced—

S. F. No. 1752: A bill for an act relating to nursing homes; authorizing sharing of administrators between certain hospitals and nursing homes; amending Minnesota Statutes 1976, Section 144A.04, Subdivision 5.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Strand, Nichols, Penny, Purfeerst and Mrs. Staples introduced—

S. F. No. 1753: A bill for an act relating to workers' compensation; providing for the coverage of certain farm and business owners and employees; amending Minnesota Statutes, 1977 Supplement, Section 176.012.

Referred to the Committee on Employment.

Messrs. Purfeerst, Wegener, Engler and Vega introduced—

S. F. No. 1754: A bill for an act relating to highway traffic regulations; authorized emergency vehicles; approval of specifications and equipment test fees for lighting and vehicle safety equipment; warning devices on certain vehicles; and vehicle modification standards; amending Minnesota Statutes 1976, Sections 169.01, Subdivision 5; 169.65; and 169.75; repealing Minnesota Statutes 1976, Section 169.47, Subdivision 2.

Referred to the Committee on Transportation.

Messrs. Luther, Humphrey, Knoll, Chenoweth and Willet introduced—

S. F. No. 1755: A bill for an act relating to shade tree disease control; clarifying utilization of appropriations; authorizing extension of temporary rules; repealing Laws 1977, Chapter 90, Section 14, Subdivision 4.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Strand, Peterson and Hanson introduced—

S. F. No. 1756: A bill for an act relating to taxation; inheritance tax; exempting pension receipts from taxation; amending Minnesota Statutes 1976, Sections 291.05; and 291.065.

Referred to the Committee on Taxes and Tax Laws.

Mrs. Staples; Messrs. Solon; Gearty; Keefe, J. and Dieterich introduced—

S. F. No. 1757: A bill for an act relating to health; ambulance service; providing for licensing of a specialized ambulance service; amending Minnesota Statutes, 1977 Supplement, Sections 144.801, Subdivisions 6, 7, and 9, and by adding a subdivision; 144.802, Subdivision 1; and 144.804, Subdivisions 2 and 3.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Purfeerst and Bernhagen introduced—

S. F. No. 1758: A bill for an act relating to the department of transportation; concerning the Great River Road; amending Minnesota Statutes 1976, Sections 161.142 and 161.148.

Referred to the Committee on Transportation.

Messrs. Purfeerst, Nichols, Bernhagen and Setzepfandt introduced—

S. F. No. 1759: A bill for an act relating to natural resources; requiring written permission prior to entering land owned by another for purposes of taking wild animals; permitting peace officers to make arrests upon probable cause in certain trespass cases; amending Minnesota Statutes 1976, Section 100.273; repealing Minnesota Statutes 1976, Section 100.29, Subdivisions 21 and 22.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Purfeerst, Penny, Engler and Setzepfandt introduced—

S. F. No. 1760: A resolution urging the President, Congress and Secretary of Transportation to provide necessary grants and loans to the Milwaukee Road.

Referred to the Committee on Rules and Administration.

Messrs. Luther; Spear; Keefe, J. and Dieterich introduced—

S. F. No. 1761: A bill for an act relating to insurance; requiring certain disclosures to be made by agents or solicitors; prescribing penalties; broadening the rule-making power of the commissioner; amending Minnesota Statutes 1976, Section 72A.19; and Chapter 72A, by adding a section.

Referred to the Committee on Commerce.

Messrs. Wegener, Bang and Laufenburger introduced—

S. F. No. 1762: A bill for an act relating to intoxicating liquor;

authorizing on-sale malt liquor licenses; amending Minnesota Statutes 1976, Section 340.02, by adding a subdivision.

Referred to the Committee on Commerce.

Messrs. Wegener, Bernhagen and Purfeerst introduced—

S. F. No. 1763: A bill for an act relating to domestic relations; contracts and conveyances between husband and wife; amending Minnesota Statutes 1976, Sections 500.19, by adding a subdivision; and 519.06.

Referred to the Committee on Judiciary.

Messrs. Knoll, Chenoweth, Kirchner, Nelson and Ulland, J. introduced—

S. F. No. 1764: A bill for an act relating to public employment; the state civil service; providing for qualifying examination and certification procedures for filling routine service positions; providing on-the-job trial work experiences and noncompetitive appointment procedures for certain severely handicapped persons; amending Minnesota Statutes 1976, Section 43.20, by adding subdivisions.

Referred to the Committee on Governmental Operations.

Messrs. Chenoweth, Coleman, Schaaf and Kirchner introduced—

S. F. No. 1765: A bill for an act relating to the organization of state government; restructuring the Gillette hospital board; providing that employee and procurement laws are more consistent with laws applying to other agencies; requiring an annual report; amending Minnesota Statutes 1976, Section 250.05, Subdivisions 1, 3, 3a and 5; Minnesota Statutes, 1977 Supplement, Section 250.05, Subdivision 2.

Referred to the Committee on Governmental Operations.

Messrs. McCutcheon, Merriam, Hanson, Peterson and Johnson introduced—

S. F. No. 1766: A bill for an act relating to taxation; restricting certificate of value filing requirements to transfers of property made after 1977; amending Minnesota Statutes, 1977 Supplement, Section 272.115, Subdivisions 1 and 4.

Referred to the Committee on Taxes and Tax Laws.

Messrs. McCutcheon and Peterson introduced—

S. F. No. 1767: A bill for an act relating to taxation; levying a service charge on certain types of property.

Referred to the Committee on Taxes and Tax Laws.

Messrs. McCutcheon, Merriam, Stokowski, Peterson and Johnson introduced—

S. F. No. 1768: A bill for an act relating to taxation; property taxes; eliminating limits on annual increases in property valuation; amending Minnesota Statutes 1976, Sections 273.11, Subdivision 1; and 273.17, Subdivision 1; repealing Minnesota Statutes 1976, Section 273.11, Subdivision 5; and Minnesota Statutes, 1977 Supplement, Section 273.11, Subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Schmitz, Coleman, Schaaf, Chenoweth and Ashbach introduced—

S. F. No. 1769: A bill for an act relating to the organization and operation of state government; creating an office within the department of administration to receive citizen inquiries and complaints on matters relating to state government; providing for training and public information efforts; imposing duties on all state agencies; appropriating money.

Referred to the Committee on Governmental Operations.

Messrs. Tennessen, Johnson, Jensen, Davies and Ashbach introduced—

S. F. No. 1770: A bill for an act relating to employment; allowing employees to continue participation in certain employee group health care plans after disability or retirement; amending Minnesota Statutes 1976, Section 62A.17, Subdivision 3.

Referred to the Committee on Commerce. Mr. Laufenburger questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Messrs. Knoll, McCutcheon, Knutson, Spear and Hanson introduced—

S. F. No. 1771: A bill for an act relating to statutes of limitations; providing for limits on time to commence certain real estate actions; amending Minnesota Statutes 1976, Section 541.051, Subdivision 1.

Referred to the Committee on Judiciary.

Messrs. Peterson, Merriam, Bernhagen and Schrom introduced—

S. F. No. 1772: A bill for an act relating to game and fish; exemptions from fishing license requirements for certain institutional inmates; amending Minnesota Statutes 1976, Section 98.47, Subdivision 12.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Peterson, Merriam, McCutcheon, Gunderson and Sillers introduced—

S. F. No. 1773: A bill for an act relating to taxation; income tax; reducing the tax rate imposed upon corporations; eliminating the arithmetic average from the formula used for apportionment of trade or business income among states; amending Minnesota Statutes 1976, Sections 290.06, Subdivision 1; 290.19, Subdivision 1; and 290.361, Subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Schaaf, Gearty and Stokowski introduced—

S. F. No. 1774: A bill for an act relating to elections; reorganizing and clarifying absentee voting provisions and removing obsolete language; permitting return envelopes to be mailed to county auditors or to any municipal clerk; permitting delivery of return envelopes by the auditor or clerk to the precincts; requiring processing of absentee ballots at regular precincts before tabulation of results in an absentee ballot precinct; amending Minnesota Statutes 1976, Sections 207.04; 207.08; 207.09; 207.12; 207.30, Subdivisions 2, 3, 4, 5 and 6; Minnesota Statutes, 1977 Supplement, Sections 207.02; 207.03; 207.05, Subdivision 1; 207.10; 207.101; 207.11; and 207.31; repealing Minnesota Statutes 1976, Sections 207.13 and 207.30, Subdivision 1.

Referred to the Committee on Elections.

Messrs. Bang and Keefe, J. introduced—

S. F. No. 1775: A bill for an act relating to Independent School District No. 272 (Eden Prairie) and Independent School District No. 273 (Edina); providing for the transfer of territory from Independent School District No. 272 to Independent School District No. 273.

Referred to the Committee on Education.

Messrs. Purfeerst, Penny, Johnson, Wegener and Luther introduced—

S. F. No. 1776: A bill for an act relating to taxation; income tax; exempting income from volunteer firemen's pensions; amending Minnesota Statutes, 1977 Supplement, Section 290.08, Subdivision 6.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Purfeerst, Kirchner and Luther introduced—

S. F. No. 1777: A bill for an act relating to motor vehicles; providing for handicapped license plates on passenger vehicles; establishing motorized bicycle operator permit fees; prohibiting operation of motor vehicles during periods of license cancellation, sus-

pension or revocation; removing certain restrictions relating to issuance of a limited license; amending Minnesota Statutes 1976, Sections 171.20, Subdivision 2; 171.24; and 171.30, Subdivision 1; and Minnesota Statutes, 1977 Supplement, Sections 168.021, Subdivision 1; and 171.02, Subdivision 3.

Referred to the Committee on Transportation.

Mr. Luther introduced—

S. F. No. 1778: A bill for an act relating to taxation; property tax; changing the assessment classification for homesteads of certain disabled persons; amending Minnesota Statutes, 1977 Supplement, Section 273.13, Subdivision 7.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Setzepfandt, Perpich, Nichols, Peterson and Engler introduced—

S. F. No. 1779: A bill for an act relating to public health; requiring owner identification marks on removable dental prostheses; requiring free replacement of certain unmarked prostheses which become lost; prescribing certain other remedies.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Schaaf, Willet, Gearty, Merriam and McCutcheon introduced—

S. F. No. 1780: A bill for an act relating to mobile homes; exempting certain mobile home sales and leases from sales taxation; changing property tax treatment of certain mobile homes; establishing a system of licensure of mobile home dealers, salesmen, brokers and installers; providing penalties; amending Minnesota Statutes 1976, Sections 273.13, Subdivision 3, and by adding a subdivision; 274.19, Subdivision 3; 297A.25, Subdivision 1; 327.31, Subdivision 4; 327.51, as amended; 327.55; and Chapter 327, by adding sections; and Minnesota Statutes, 1977 Supplement, Section 273.13, Subdivisions 4 and 7.

Referred to the Committee on Governmental Operations.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee reports at the Desk be now adopted, with the exception of reports pertaining to appointments. The motion prevailed.

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

S. F. No. 1656: A bill for an act relating to parks; authorizing the use of certain appropriated money for the acquisition and de-

velopment of recreation facilities for the handicapped at Islands of Peace park; amending Laws 1977, Chapter 352, Section 1.

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

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 1589: A bill for an act relating to the state; authorizing the sale of certain state lands to, and the development of that land for industrial purposes or purposes which the city deems compatible with adjacent land by, the city of Owatonna; amending Laws 1965, Chapter 216, Section 2.

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

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 1178: A bill for an act relating to the town of Mc-Davitt; authorizing the town to issue general obligations for acquisition and betterment of a town hall.

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

Page 1, after line 20, insert:

“Sec. 2. [REFERENDUM PETITION.] The bonds shall be issued and secured in accordance with Minnesota Statutes, Chapter 475, except that in authorizing the bonds or the note, the board shall adopt an initial resolution stating the amount, purpose and, in general, the security to be provided for the bonds; and shall publish the resolution once each week for two consecutive weeks in the official newspaper. The bonds so authorized may be issued without the submission of the question of their issuance to the electors unless within 30 days after the second publication of the resolution a petition requesting an election signed by more than five percent of the qualified electors voting in the county at the last general election is filed with the county auditor. In the event a petition is filed, no bonds shall be issued under this subdivision unless authorized by a majority of the electors voting on the question.”

Renumber the sections in sequence.

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Elections, to which was referred

S. F. No. 1609: A bill for an act relating to elections; regulating procedures for ballot challenges and election contests; amending Minnesota Statutes 1976, Sections 204A.32, Subdivision 4; 209.02, Subdivisions 4 and 4a; and 209.06, Subdivision 2.

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

Page 1, line 14, after "any" insert "*other*"

Page 3, line 30, after "bond" insert "*, cash or surety*"

Amend the title as follows:

Page 1, line 2, strike "regulating procedures for"

Page 1, line 3, strike "ballot challenges and election contests" and insert: "allowing post-election challenges to absent voters; changing election contest notice procedures and bond requirement; allowing county and municipal court judges to hear election contests"

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

Mr. Gearty from the Committee on Elections, to which was referred

S. F. No. 744: A bill for an act relating to elections; altering various provisions relating to ballots, judges, summary statements, canvasses and returns; amending Minnesota Statutes 1976, Sections 204A.18, Subdivision 1; 204A.39, by adding a subdivision; 204A.45, Subdivision 2; 204A.46; 204A.47; 204A.48; 204A.51, Subdivisions 2 and 3; and 204A.52, Subdivision 1; repealing Minnesota Statutes 1976, Section 204A.32, Subdivision 4.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 3.21, is amended to read:

3.21 [NOTICE.] At least four months preceding *such the* election, the attorney general shall furnish to the secretary of state a statement of the purpose and effect of all amendments proposed showing clearly the form of the existing sections, and of the same as they will read if amended, except that when any section to which an amendment is proposed exceeds 150 words in length, the statement shall show that part of the section in which a change is proposed, both in its existing form and as it will read when amended, together with *such* portions of the context as the attorney general deems necessary to an understanding of the proposed amendment. In the month of October prior to the election, the secretary of state shall give two weeks published notice of *such the* statement in all legal newspapers of the state. The secretary of state shall furnish *such the* statement to *such the* newspapers in ~~plate, mat, or reproduction black and white paper form from reproducible form approved by the secretary of state, set in seven-and-one-half-point type on an eight-point stage body~~. The maximum rate

for such publication shall be 16 cents per standard line for the two publications. If any newspaper shall refuse the publication of the amendments, this refusal and failure of the publication shall have no effect on the validity of the amendments. The secretary of state shall also forward to each county auditor copies of such the statement, in poster form, in quantities sufficient to supply each election district of his county with two copies thereof. The auditor shall cause two copies to be conspicuously posted at or near each polling place on election day. Wilful or negligent failure by any official named to perform any duty imposed upon him by this section shall be deemed a misdemeanor.

Sec. 2. Minnesota Statutes 1976, Section 200.02, is amended by adding a subdivision to read:

Subd. 27. [POLITICAL PARTY MEMBER.] The words "member of a political party" mean a person who supports the general principles of a political party as stated in that party's constitution or intends to support a majority of a party's candidates in the next general election.

Sec. 3. Minnesota Statutes 1976, Section 204A.18, Subdivision 1, is amended to read:

204A.18 [ELECTION JUDGES, ELIGIBILITY.] Subdivision 1. **[PARTY BALANCE.]** No more than half of the number of judges in any precinct may be members of the same political party ; except where the election board consists of an odd number of judges in a precinct ; the number of judges belonging to one who are members of the same political party may be one more than half the number of judges belonging to the other political party in that precinct .

Sec. 4. Minnesota Statutes 1976, Chapter 204A, is amended by adding a section to read:

[204A.295] [VOTING, NO REGISTRATION.] *Subdivision 1. [EVIDENCE OF QUALIFICATION TO VOTE.] Except where voters are registered under a permanent registration system, any person desiring to vote at any election shall satisfy the election board by proper and sufficient evidence that he is qualified to vote at the election in the precinct, and by stating under oath, that he is at least 18 years of age and has been a resident of the state for at least 20 days.*

Subd. 2. [VOTING, EXAMINATION.] Any person desiring to vote shall truly state, when he is asked, his first and last name and middle initial, his street or route, city and county address and the address of most recent prior registration. Upon refusal to make such statements, he shall not be allowed to vote.

Subd. 3. [ELECTION REGISTERS, FORM.] Two election registers shall be provided by the county auditor or the clerk of the municipality, as the case may be, for each precinct. The election registers shall be kept and maintained in duplicate,

and two judges shall have charge of them, each using one as provided in this section. Every election register shall be headed by the designation of the precinct, shall contain one column headed "Name of Voter," one headed "Residence," one headed "Address of Most Recent Prior Registration" and one headed "Remarks," and shall contain the names of the voters in separate groups, in alphabetical order according to the first letter of the surnames, each letter of the alphabet to form one group, with not more than one group on any one page, and each group to be separately numbered commencing with the numeral "1."

Subd. 4. [VOTING, ELECTION REGISTER, USE.] Having satisfied the judges of his qualifications, the voter's name, residence and address of most recent prior registration shall be entered in the proper place in the election registers, and the other judges shall have charge of and hand to and receive from each voter the ballots.

Sec. 5. Minnesota Statutes 1976, Section 204A.32, Subdivision 4, is amended to read:

Subd. 4. [CHALLENGE OF VOTER; DISPOSITION OF BALLOTS.] ~~The voter and the ballots of any absent voter~~ At any time before the ballots of any voter have been deposited in the ballot boxes are subject to a challenge by , the judges or by any person who was not present at the time the voter procured the ballots, but not otherwise , may challenge the qualifications of that voter and the deposit of any received absentee ballots in the ballot boxes . The question judges shall be determined determine the qualifications of any voter who is present in the polling place in the same manner as is provided for the challenge of voters in section 204A.39 , and if the voter or the ballots of any absent voter are is found to be disqualified, shall place the ballots so prepared shall be placed of that voter unopened among the spoiled ballots. The judges shall determine whether to receive or reject the ballots of an absent voter and whether to deposit received absentee ballots in the ballot boxes in the manner provided in sections 207.11, 207.24 and 207.25, and shall dispose of any absentee ballots not received or deposited in the manner provided in section 207.11.

Sec. 6. Minnesota Statutes 1976, Section 204A.42, Subdivision 1, is amended to read:

204A.42 [COUNTING BALLOTS.] Subdivision 1. [METHOD.] The judges shall take all the ballots of the same kind and count the votes cast for the first office or proposition on the ballot by separating the ballots into piles, one pile for each candidate who received votes for that office, or one pile for the "Yes" votes and one pile for the "No" votes if it is a proposition. The judges also shall pile the ballots that are blank or defective as to that office separately. After the separation into piles, the judges shall examine each pile and remove therefrom and place in the proper pile any ballots that are found to be in the wrong pile. After the examination, the judges shall count the ballots in each pile, and when their counts agree, they shall

announce the number of ballots in each pile, and the number shall be written in the proper place on the ~~tally books~~ *summary statements*. The judges may also pile ballots crosswise in groups of 25 in the same pile so as to facilitate counting.

Sec. 7. Minnesota Statutes 1976, Section 204A.45, Subdivision 1, is amended to read:

204A.45 [BALLOTS, DISPOSITION.] Subdivision 1. [ENVELOPES.] ~~Except in cities of the first class and in counties having a population of 200,000 or more,~~ After the canvass has been completed and in the presence of all the judges, the ballots cast shall be removed from the ballot boxes and placed in envelopes and sealed. Each judge shall write his name upon the envelope over the sealed part in such a way that the envelope cannot be opened without disturbing the continuity of the lines in the writing. The envelopes shall be of a heavy paper, of the same color as the ballots to be placed therein, and of a size suitable to hold all the ballots without folding. The official charged with printing the ballots shall furnish the envelopes required in this section; provided, however, that the official charged with printing the state pink ballot shall furnish the envelopes for the state pink ballot and the state white ballot. The number of ballots in each envelope, the kind thereof, the name of the town or city, and the number of the precinct shall be plainly written upon the envelopes. The unused and spoiled ballots or returns may not be placed in the envelopes.

Sec. 8. Minnesota Statutes 1976, Section 204A.46, Subdivision 1, is amended to read:

204A.46 [RETURNS OF ELECTION, SUMMARY STATEMENTS.] Subdivision 1. [SUMMARY STATEMENTS.] ~~Except where voting machines are used,~~ *Each* official charged with printing the ballots shall furnish ~~two tally books with three or more forms for summary statements of the returns~~ for each precinct at the same time and in the same manner as the ballots are furnished; provided, however, that the official charged with printing the state white ballot shall furnish ~~the tally book with as a separate part of the form for the summary statement of the returns of the white ballot a form for the summary statement of the returns~~ for the state pink ballot.

Sec. 9. Minnesota Statutes 1976, Section 204A.46, Subdivision 2, is amended to read:

Subd. 2. [SUMMARY STATEMENT, INFORMATION REQUIRED.] The judges shall ~~fill out the tally book and returns in duplicate,~~ and in suitable spaces provided therefor they shall ~~disclose complete three or more summary statements which shall include~~ the following information:

(a) State of Minnesota, Tally Book and *Summary Statement of the Returns* for (Color) Ballots, (number) Precinct, (number) Ward, of the (City) (Town) of (Name) and the date and kind of election;

(b) The office or question, name of candidates, the number of votes each candidate received or the number of yes and no votes on each question, and the number of blank and defective ballots for each office or question;

(c) The number of persons who voted at the election in the precinct, and where there is permanent registration the number of registered voters persons registered at the time the polling place opened and the number of persons registering on election day in the precinct, the total number of ballots actually counted, the number of totally defective ballots, and the number of persons who returned spoiled ballots and received other ballots;

(d) A certificate in substantially the following form: "We, the undersigned judges of the (number) Precinct, (number) Ward, of the (City) (Town) of (Name), Minnesota, do hereby certify that all of the ballots cast at the (date and kind of election) Election, were carefully and properly piled, checked, and counted, and that the number of votes marked opposite the respective names of the candidates, correctly shows the number of votes so cast. The national flag was displayed on a suitable staff during all the hours of voting." The certificate shall be signed by all members of the election board.

Sec. 10. Minnesota Statutes 1976, Section 204A.46, Subdivision 3, is amended to read:

Subd. 3. [SUMMARY STATEMENT AND RETURNS, PRIMARY ELECTION.] The tally book and summary statement of the returns for the primary election shall be in the same form as the tally book and summary statement of the returns for the general election except that a separate tally book and returns part of the summary statement shall be provided for each the political party ballot and a separate part for the ballot of candidates to be nominated without party designation. The primary tally book and returns summary statement shall be headed substantially as follows: "Tally Book and Summary Statement of the Returns for (Name) Party, (number) Precinct, (number) Ward, of the (City) (Town) of (Name), Primary Election held (Date)."

Sec. 11. Minnesota Statutes 1976, Section 204A.46, Subdivision 4, is amended to read:

Subd. 4. [SUMMARY STATEMENT AND RETURNS, FORM.] The secretary of state shall prescribe the form for the tally book and summary statement of the returns, and he may place thereon instructions for their use and such other matter that is authorized by law to be printed on tally books and summary statements of the returns. Any other official charged with furnishing tally books and returns summary statements shall prepare them in the manner prescribed by the secretary of state, so far as practicable.

Sec. 12. Minnesota Statutes 1976, Section 204A.47, is amended to read:

204A.47 [SUMMARY STATEMENT OF THE RETURNS, DISPOSITION.] Subdivision 1. [ENVELOPE.] The judges in each precinct shall include ~~one a set of the tally book and one of each of the completed summary statements of the returns in each of two three separate envelopes ; and .~~ Each envelope shall then be sewed wrapped by drawing a substantial twine string twice through around it and the tally book and returns therein a substantial twine string and by tying . The ends of the string shall be tied together and then sealing the envelope sealed in three places with wax and stamp furnished by the county auditor, one of the places to be over the knot in the string. The judges shall then endorse the envelope in substantially the following form: "Tally book and Summary statements of the returns of the election precinct, (town) or (City) of, in the County of, State of Minnesota."

Subd. 2. [RETURNS AND MATERIALS, DELIVERY.] ~~Except in first class cities One or more of the judges in each precinct shall deliver one set of the tally book and returns two sets of summary statements in separate sealed envelopes , all unused and spoiled white, pink, and canary ballots, one summary statement, two one election registers register in counties where there is no permanent voter registration system ; and the envelopes containing the white, pink, and canary ballots to the county auditor at his office within 24 hours after the closing of the polls. Another judge One or more judges shall deliver the remaining set of the tally book summary statements and returns, all unused and spoiled municipal ballots, the remaining summary statement, the remaining election register in counties where there is no permanent voter registration system , the envelopes containing municipal ballots and all other things furnished by the municipal clerk, to the municipal clerk at his office within 24 hours after the closing of the polls.~~

Subd. 2a. *The county auditor shall deliver to the secretary of state one of the sets of summary statements received from each precinct.*

Subd. 2b. [NOTIFICATION OF PRIOR REGISTRATION.] *In counties where there is no permanent voter registration, the county auditor shall examine all election registers from each precinct for names of voters who had prior registration at another address. The county auditor shall notify the county auditor of the voter's last registration using the form required by section 201.071, subdivision 4.*

Subd. 3. *In all first class cities, two of the judges in each precinct shall deliver tally books and returns, the unused and spoiled ballots, the summary statements, and the box containing the ballots to the city clerk at his office within 24 hours after closing of the polls.*

Sec. 13. Minnesota Statutes 1976, Section 204A.51, Subdivision 2, is amended to read:

Subd. 2. [COUNTY CANVASS, PRIMARY ELECTION INFORMATION REQUIRED.] The board shall meet at the auditor's office at 10:00 a.m. on or before the third day after the primary election, take the oath of office, and publicly canvass the returns of the election made to the county auditor. The board shall complete the canvass by the evening of the sixth day following the election, and it shall forthwith make the following report and file the same with the county auditor:

(a) A statement for each political party showing the names of all candidates thereof voted for at the primary election, the number of votes received by each, in each precinct and in the county, and for what office;

(b) A statement showing the names of candidates of each political party who are nominated;

(c) A statement of the total number of persons who voted at the election in the county, and in each precinct ; and the number of ballots counted in each precinct, and in the county ;

(d) A statement of the number of persons registering to vote on election day and the number of persons registered prior to election day; and

(e) A statement of the votes received by each of the non-partisan candidates in each precinct in the county and the names of the nonpartisan candidates nominated. If any candidates receive an equal number of votes for the same nomination, the canvassing board shall determine the tie by lot. Upon completion of the canvass, the county auditor shall forthwith certify to the secretary of state the vote, as shown by the report of the county canvassing board, for all candidates to be voted for in more than one county, and he shall mail or deliver to each nominee who is to be voted for in his county only, a notice of his nomination and that his name will be placed upon the general election ballot.

If the difference between the votes of two or more candidates for legislative office which lies within a single county is 100 or less and the difference determines one or more nominations, the canvassing board shall recount the votes. A recount shall not delay any other part of the report of the board and shall be reported and certified as soon as possible. Time for notice of a contest of an election which is recounted shall begin to run upon completion of the recount and canvass for that office.

Sec. 14. Minnesota Statutes 1976, Section 204A.51, Subdivision 3, is amended to read:

Subd. 3. [COUNTY CANVASS, GENERAL ELECTION, INFORMATION REQUIRED.] The canvassing board shall meet at the auditor's office on or before the third day after the general election, take the oath of office, and publicly canvass the returns of the general election made to the county auditor. The

board shall complete the canvass without unnecessary delay, and it shall forthwith make the following report and file the same with the county auditor:

(a) A statement of the number of persons who voted at the election in each precinct in the county and the total number of persons who voted at the election in the county; and the number of white, pink, and canary ballots counted in each precinct in the county, and the total number of white, pink, and canary ballots counted in the county;

(b) A statement of the number of persons registering to vote on election day and the number of persons registered prior to election day;

(c) A statement of the names of all candidates for state offices, representatives and senators in the legislature, representatives and senators in congress, judges of the district court, and county offices; and the number of votes received by each in each precinct and in the whole county;

(d) A statement of the total number of votes counted for and against any proposed change of county lines or county seat; and

(e) A statement of the number of votes counted for and against any constitutional amendment or other proposition in any precinct, and the total number of votes counted therefor in the county.

If the difference between the votes of the candidates for legislative office which lies within a single county is 100 votes or less the canvassing board shall recount the votes. A recount shall not delay any other part of the report of the board and shall be reported and certified as soon as possible. Time for notice of a contest of an election which is recounted shall begin to run upon completion of the recount and canvass for that office.

In case of a tie, the canvassing board shall determine the results by lot. Upon completion of the canvass, the board shall declare the person receiving the highest number of votes for each county office duly elected thereto; and when the county constitutes or contains a senatorial or representative district in the legislature, it shall declare the person receiving the highest number of votes for each office in the legislature duly elected.

Sec. 15. [REPEALER.] *Minnesota Statutes 1976, Sections 204A.45, Subdivision 2 and 204A.48 are repealed.*

Sec. 16. [EFFECTIVE DATE.] *This act is effective the day following final enactment.*"

Further, amend the title as follows:

Strike lines 2 to 10 and insert:

"relating to elections; defining member of a political party; altering various provisions relating to publication of constitutional amendment explanation, ballots, judges, summary statements,

canvasses and returns; amending Minnesota Statutes 1976, Chapter 204A, by adding a section; and Sections 3.21; 200.02, by adding a subdivision; 204A.18, Subdivision 1; 204A.32, Subdivision 4; 204A.42, Subdivision 1; 204A.45, Subdivision 1; 204A.46, Subdivisions 1, 2, 3 and 4; 204A.47; and 204A.51, Subdivisions 2 and 3; repealing Minnesota Statutes 1976, Sections 204A.45, Subdivision 2; and 204A.48.”

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

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 1510: A bill for an act relating to vocational rehabilitation; sheltered workshops and work activity programs; authorizing certain tax levies and fund sources for these programs; amending Minnesota Statutes 1976, Section 129A.06.

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

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 861: A bill for an act relating to public welfare; providing for allocation of fees collected by community mental health programs.

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

Strike everything after the enacting clause and insert:

“Section 1. [245.651] [ALLOCATION OF FEES.] Subdivision 1. All fees for services collected by a community mental health program may be retained by the program until the total of the fees collected and the state grant to the program pursuant to sections 245.61 to 245.69 equals 70 percent of the program budget approved by the commissioner of public welfare. One half of the additional fees collected by the center in excess of the 70 percent shall be deducted from the state grant. For the purpose of this section, “fees for services” or “fees” shall mean income derived from clinical services and paid to the community mental health program by the patient or on his behalf.

Subd. 2. The amount of any reductions in state grants pursuant to subdivision 1 shall revert to the general fund.”

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

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 1073: A bill for an act relating to corrections; establishing a facility for the care and treatment of inmates of correc-

tional institutions who become mentally ill; providing for their commitment and detention for treatment; appropriating money.

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

Page 1, line 19, after "be" insert "a" and after "ill" insert "person"

Page 1, line 22, strike "trained" and insert "qualified"

Page 2, line 1, after "or" insert "licensed certified"

Page 2, strike lines 2 to 21 and insert:

"Subd. 3. [TRANSFER.] If the examining physician or psychologist finds the person to be mentally ill and in need of short term care, he may recommend transfer by the commissioner of corrections to the psychiatric unit established pursuant to subdivision 1.

Subd. 4. [COMMITMENT.] If the examining physician or psychologist finds the person to be mentally ill and in need of long term care in a hospital, or if an inmate transferred pursuant to subdivision 3 refuses to voluntarily participate in the treatment program at the psychiatric unit, the chief executive officer of the institution or other person in charge shall initiate proceedings for judicial commitment as provided in section 253A.07. Upon the recommendation of the physician or psychologist and upon completion of the hearing and consideration of the record, the court may commit the person to the psychiatric unit established in subdivision 1 or to another hospital."

Page 2, line 23, after "may" insert ", subject to the provisions of chapter 253A,"

Page 3, line 1, after "the" insert "mental illness"

Page 3, line 5, strike "act" and insert "section"

Page 3, after line 14, insert a new subdivision to read:

"Subd. 8. For the purposes of this section, the words defined in section 253A.02 have the meanings given them in that section."

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

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

S. F. No. 1425: A bill for an act relating to witnesses; exempting a registered nurse from testifying against a client; amending Minnesota Statutes 1976, Section 595.02.

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

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

S. F. No. 1105: A bill for an act relating to civil actions; providing for authority for attorney to bind his client and execute a satisfaction of judgment; amending Minnesota Statutes 1976, Sections 481.08 and 548.15.

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

Page 3, line 3, strike "*judgments entered*" and insert "*satisfactions executed*"

Page 3, line 4, strike "*August 1, 1977*" and insert "*the effective date of this act*"

Page 3, after line 4, insert

"Sec. 4. [EFFECTIVE DATE.] *This act is effective on the day following its final enactment.*"

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

Mr. Gearty from the Committee on Elections, to which was referred

S. F. No. 1610: A bill for an act relating to elections; providing for the official identification of ballots; amending Minnesota Statutes 1976, Sections 123.32, Subdivision 5; 203A.13; and 203A.15.

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

Page 2, line 2, strike "*The facsimile*"

Page 2, strike lines 3 and 4

Page 2, line 9, strike "*, a facsimile of the official*" and strike "*stamp*"

Page 2, strike line 10

Page 2, line 11, strike "*the ballot is printed,*"

Page 2, line 23, strike everything after "*ballots,*"

Page 2, line 24, strike "*stamp or seal and initials of the officer*"

Page 2, line 25, strike "*preparing the same,*"

Page 2, after line 30, insert:

"Sec. 4. Minnesota Statutes 1976, Section 206.17, is amended to read:

206.17 [OFFICIALS TO PREPARE MACHINES FOR USE.] It shall be the duty of the proper authority having direct charge of elections in each municipal corporation where voting machines or electronic voting systems which do not use paper ballots are to be used to cause the proper ballot labels to be placed on the

voting machines or marking devices and to place the machines in proper order for voting. These ballot labels shall have printed on the face thereof the words "Official Ballot," and the date of the election, a facsimile of the signature of the officer under whose direction the ballot is printed. The authorities shall examine all voting machines before they are sent out to the different polling places, to see that all the registering counters are set at zero (000), to lock all voting machines so that the counting mechanism cannot be operated, and to seal each voting machine with a numbered seal and to make a written record thereof.

Before preparing the voting machines for any election written notices shall be mailed to the chairman of the county committee of each political party, who have theretofore presented the name of the chairman to the county auditor, stating the times when and the place or places where the voting machines will be prepared, at which times and places one representative of each such political party designated by the respective chairman of such county committee of such party shall be entitled to be present and see that the machines are properly prepared and placed in proper condition and order for use at the election. In non-partisan primaries and elections each candidate may designate one representative who shall have the same powers as the political party representatives.

When the machines have been prepared for the election it shall be the duty of the custodians and political party or candidate representatives to make a certificate in writing which shall be filed in the office of the proper authority having charge of the conduct of elections in such municipality, stating the serial number of each machine, whether or not all registering counters have been set at zero (000), the number registered on the protective counter and the number on the metal seal with which the machine is sealed.

Where electronic voting systems are used, within five days prior to the election day, the election officer in charge shall have the automatic tabulating equipment tested to ascertain that the equipment will correctly count the votes cast for all offices and on all measures. Public notice of the time and place of the test shall be given at least two days prior thereto by publication once in official newspapers. The test shall be observed by at least two judges, who shall not be of the same political party, and shall be open to representatives of the political parties, candidates, the press and the public. The test shall be conducted by processing a preaudited group of ballots so punched or marked as to record a predetermined number of valid votes for each candidate and on each measure, and shall include for each office one or more ballots which have votes in excess of the number allowed by law in order to test the ability of the automatic tabulating equipment to reject such votes. If any error is detected, the cause therefor shall be ascertained and corrected and an errorless count shall be made before the automatic tabulating equipment is approved. The test shall be repeated immediately before the start of the official count of the ballots, in the same manner as set forth above. After the completion of the count, the programs used and ballots shall be sealed, retained, and disposed of as provided for paper ballots.

Sec. 5. [EFFECTIVE DATE.] *This act is effective the day following final enactment, except it shall not apply to any election for which filings have closed by that date.*"

Amend the title as follows:

Line 5, strike "and" and before the period insert "; and 206.17"

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

Mr. Gearty from the Committee on Elections, to which was referred the following appointment as reported in the Journal for January 17, 1978:

ETHICAL PRACTICES BOARD

Mary Jo Richardson

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

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred the following appointment as reported in the Journal for January 17, 1978:

METROPOLITAN COUNCIL

Patrick W. Colbert, Jr.

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

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Chenoweth from the Committee on Governmental Operations, to which were referred the following appointments as reported in the Journal for May 9, 1977:

STATE DESIGNER SELECTION BOARD

Mark Anderson

Cecil Tammen

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

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred the following appointment as reported in the Journal for January 19, 1978:

STATE DESIGNER SELECTION BOARD

David R. Conkey

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

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred the following appointment as reported in the Journal for January 23, 1978:

STATE DESIGNER SELECTION BOARD

Karal Marling

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

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred the following appointment as reported in the Journal for May 17, 1977:

STATE DESIGNER SELECTION BOARD

Lilly Merkel

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

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Chenoweth from the Committee on Governmental Operations, to which were referred the following appointments as reported in the Journal for January 17, 1978:

MINNESOTA-WISCONSIN BOUNDARY AREA COMMISSION

Dr. John Borchert

Howard Munson

Robert Burns

Robert L. Nybo, Jr.

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

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

SECOND READING OF SENATE BILLS

S. F. No. 1178 was read the second time.

S. F. Nos. 1656, 1589, 1609, 744, 1510, 861, 1425, 1105 and 1610 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS

Mr. Vega moved that the names of Messrs. Olson and Schmitz be added as co-authors to S. F. No. 1577. The motion prevailed.

Mr. Lewis moved that the name of Mr. Vega be added as co-author to S. F. No. 1649. The motion prevailed.

Mr. Peterson moved that the name of Mr. Vega be added as co-author to S. F. No. 1675. The motion prevailed.

Mr. Peterson moved that the name of Mr. Vega be added as co-author to S. F. No. 1676. The motion prevailed.

Mr. Vega moved that the name of Mr. Engler be added as co-author to S. F. No. 1577. The motion prevailed.

Mr. Laufenburger moved that the report from the Committee on Employment, reported January 24, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Laufenburger moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Laufenburger moved that in accordance with the report from the Committee on Employment, reported January 24, 1978, the Senate, having given its advice, do now consent to and confirm the appointment of:

BUREAU OF MEDIATION SERVICES**DIRECTOR**

Ernest H. Jones, 348 Pullman, Apartment 1, St. Paul Park, Washington County, effective March 1, 1977, for a term expiring the first Monday in January, 1979.

The motion prevailed. So the appointment was confirmed.

Mr. Frederick requested that the appointment to the Public Employment Relations Board be divided out. So the question was divided.

CONFIRMATION

Mr. Laufenburger moved that in accordance with the report from the Committee on Employment, reported January 24, 1978, the Senate, having given its advice, do now consent to and confirm the appointment of:

PUBLIC EMPLOYMENT RELATIONS BOARD

Lorraine Clark, 1253 Onondaga Way Northeast, Minneapolis, Hennepin County, effective April 18, 1977, for a term expiring the first Monday in January, 1980.

The question was taken on the confirmation of Lorraine Clark to the Public Employment Relations Board.

The roll was called, and there were yeas 43 and nays 15, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	McCutcheon	Perpich	Spear
Benedict	Hanson	Menning	Peterson	Staples
Borden	Hughes	Merriam	Purfeerst	Strand
Chenoweth	Johnson	Moe	Schaaf	Stumpf
Chmielewski	Keefe, S.	Nelson	Schmitz	Vega
Coleman	Kleinbaum	Nichols	Schrom	Wegener
Davies	Knoll	Ogdahl	Schzepfandt	Willet
Dieterich	Laufenburger	Olhoft	Sikorski	
Gearty	Luther	Penny	Solon	

Those who voted in the negative were:

Ashbach	Engler	Keefe, J.	Knutson	Sieloff
Bang	Frederick	Kirchner	Pillsbury	Ueland, A.
Brataas	Jensen	Knaak	Renneke	Ulland, J.

The motion prevailed. So the appointment was confirmed.

CONFIRMATION

Mr. Laufenburger moved that in accordance with the report from the Committee on Employment, reported January 24, 1978, the Senate, having given its advice, do now consent to and confirm the appointment of:

DEPARTMENT OF ECONOMIC SECURITY**COMMISSIONER**

Michael O'Donnell, 201 Maryknoll Drive, Stillwater, Washington County, effective July 29, 1977, for a term expiring the first Monday in January, 1979.

The motion prevailed. So the appointment was confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Perpich moved that the report from the Committee on Health, Welfare and Corrections, reported January 24, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Perpich moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Perpich moved that in accordance with the report from the Committee on Health, Welfare and Corrections, reported January 24, 1978, the Senate, having given its advice, do now consent to and confirm the appointment of:

MINNESOTA BOARD ON AGING

A. L. Nelson, 1516 West Howard, Winona, Winona County, effective January 3, 1977, for a term expiring the first Monday in January, 1979.

The motion prevailed. So the appointment was confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Perpich moved that the report from the Committee on Health, Welfare and Corrections, reported January 24, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Perpich moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Perpich moved that in accordance with the report from the Committee on Health, Welfare and Corrections, reported January 24, 1978, the Senate, having given its advice, do now consent to and confirm the appointment of:

DEPARTMENT OF PUBLIC WELFARE

COMMISSIONER

Edward J. Dirkswager, Jr., 2434 Virginia Circle, Roseville, Ramsey County, effective November 16, 1977, for a term expiring the first Monday in January, 1979.

The motion prevailed. So the appointment was confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Purfeerst moved that the name of Mr. Kleinbaum be added as co-author to S. F. No. 1758. The motion prevailed.

Mr. Purfeerst moved that the name of Mr. Olhoft be added as co-author to S. F. No. 1759. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to take up the General Orders Calendar. The motion prevailed.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Gearty in the chair.

After some time spent therein, the committee arose, and Mr. Gearty reported that the committee had considered the following:

S. F. Nos. 1617, 1612, 1613 and 1614 which the committee recommends to pass.

On motion of Mr. Coleman, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 1500 a Special Order to be heard immediately.

H. F. No. 1500: A bill for an act relating to elections; vacancy in office of senator in congress; providing for special election to fill a vacancy; amending Minnesota Statutes 1976, Section 202A.72.

Mr. Schaaf moved to amend H. F. No. 1500, the unofficial engrossment, as follows:

Page 2, line 2, strike the semicolon

Page 2, strike lines 3 to 6 and insert "(b)"

Page 2, line 11, strike "for offices"

Page 2, strike lines 12 to 14

Page 2, line 15, strike "4, clause"

Page 2, line 15 after "(b)" strike the comma

The motion prevailed. So the amendment was adopted.

CALL OF THE SENATE

Mr. Schaaf imposed a call of the Senate. The following Senators answered to their names:

Anderson	Gearty	Laufenburger	Peterson	Stokowski
Ashbach	Gunderson	Lewis	Purfeerst	Strand
Bang	Hanson	Luther	Renneke	Stumpf
Benedict	Hughes	McCutcheon	Schaaf	Ueland, A.
Bernhagen	Jensen	Menning	Schmitz	Ulland, J.
Chenoweth	Johnson	Merriam	Setzepfandt	Vega
Chmielewski	Keefe, S.	Moe	Sieloff	Wegener
Coleman	Kirchner	Nelson	Sikorski	Willet
Davies	Kleinbaum	Ogdahl	Sillers	
Engler	Knaak	Olhoft	Spear	
Frederick	Knoll	Penmy	Staples	

The Sergeant at Arms was instructed to bring in the absent members.

Mr. Jensen moved to strike the amendment placed on H. F. No. 1500 by the Committee on Elections, adopted by the Senate January 23, 1978, and to amend H. F. No. 1500 as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Chapter 202A, is amended by adding a section to read:

[202A.73] [UNITED STATES SENATOR; VACANCIES; SPECIAL ELECTIONS; TEMPORARY APPOINTMENT.] *Subdivision 1. [SCOPE OF SECTION.] Every vacancy in the office of United States senator representing Minnesota shall be filled as provided in this section. For the purpose of this section "vacancy" means a vacancy in the office of United States senator representing Minnesota.*

Subd. 2. [SPECIAL ELECTIONS REQUIRED; EXCEPTION.] Except as provided in this section every vacancy shall be filled for the unexpired term by a special election held on a Tuesday not less than 12 weeks nor more than 26 weeks after the vacancy occurs. No special election shall be held when a vacancy occurs after May 1 of the year before the expiration of the term. Any person who is elected to the office of United States senator for a regular six year term when the office is vacant or is filled by a person appointed pursuant to subdivision 5 shall also succeed to the office for the remainder of the unexpired term upon his election and qualification for the regular term.

Subd. 3. [WRIT OF THE GOVERNOR; TIME REQUIREMENTS.] The governor shall issue a writ calling for any special election required pursuant to this section within two weeks after a vacancy occurs. The writ shall state the opening and closing dates for filing of affidavits and petitions of candidacy and the dates of the special primary and special election. The writ shall provide that:

(a) All affidavits and petitions shall be filed during the same filing period which shall extend for at least two weeks;

(b) the close of the filing period shall be at least four weeks before the special primary;

(c) the special primary shall be at least four weeks before the special election; and

(d) the special primary or special election or both shall be held on the day of a regular statewide election as far as practicable consistent with the time constraints prescribed in this section and the time reasonably required for adequate election administration.

Subd. 4. [SPECIAL ELECTIONS AT ANNUAL STATEWIDE ELECTIONS.] If a statewide election is held annually every special primary and special election required pursuant to subdivision 2 shall be held at the time of the next regular statewide primary and statewide election respectively, provided that the vacancy occurs at least 10 weeks before the regular primary. If the vacancy occurs less than 10 weeks before the next regular primary the special elections shall be held at the time of the regular statewide elections in the succeeding year. When special elections are held pursuant to this subdivision, the provisions of

subdivision 3 shall not apply but the governor shall issue a writ calling for the election within one week of the vacancy and shall order an extension of the regular time for filing of affidavits and petitions of candidacy when necessary to provide at least two weeks for filing for the special election. For the purpose of this subdivision "statewide election" means an election at which all home rule charter and statutory cities are required to hold city elections or at which state legislators are elected.

Subd. 5. [TEMPORARY APPOINTMENT.] The governor may make a temporary appointment to fill a vacancy. The person appointed shall serve until the election and qualification of a successor.

Subd. 6. [APPLICATION OF OTHER SPECIAL ELECTION LAWS.] Except as provided in this section, the general provisions that apply to special elections for United States representatives concerning notice of election, nomination of candidates, election precincts and judges, voter registration and election canvassing, certification and contests shall also apply to special elections for United States senator.

Subd. 7. [APPLICATION OF MINNESOTA ELECTION LAW.] Except as provided in this section all of the provisions of Minnesota election law apply to special elections for United States senator as far as practicable.

Sec. 2. [REPEALER.] Minnesota Statutes 1976, Section 202A.72 is repealed.

Sec. 3. [EFFECTIVE DATE.] This act is effective the day following final enactment."

Strike the title in its entirety and insert

"A bill for an act relating to elections; establishing procedures for filling a vacancy in the office of senator in congress; providing for a special election to fill a vacancy; permitting a temporary appointment by the governor; amending Minnesota Statutes 1976, Chapter 202A, by adding a section; repealing Minnesota Statutes 1976, Section 202A.72."

The question was taken on the adoption of the amendment.

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

The roll was called, and there were yeas 24 and nays 39, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Kirchner	Penny	Sillers
Bang	Frederick	Knaak	Pillsbury	Strand
Bernhagen	Gunderson	Knutson	Renneke	Ueland, A.
Brataas	Jensen	Menning	Schmitz	Ulland, J.
Chmielewski	Keefe, J.	Ogdahl	Sieloff	

Those who voted in the negative were:

Anderson	Hanson	Luther	Perpich	Spear
Benedict	Hughes	McCutcheon	Peterson	Staples
Borden	Johnson	Merriam	Purfeerst	Stokowski
Chenoweth	Keefe, S.	Moe	Schaaf	Stumpf
Coleman	Kleinbaum	Nelson	Schrom	Vega
Davies	Knoll	Nichols	Setzepfandt	Wegener
Dieterich	Laufenburger	Olhoft	Sikorski	Willet
Gearty	Lewis	Olson	Solon	

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

Mr. Ulland, J. moved to strike the amendment placed on H. F. No. 1500 by the Committee on Elections, adopted by the Senate January 23, 1978.

The question was taken on the adoption of the amendment.

Mr. Ulland, J. moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 20 and nays 41, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Kirchner	Ogdahl	Sieloff
Bang	Frederick	Knaak	Penny	Sillers
Bernhagen	Jensen	Knutson	Pillsbury	Ueland, A.
Brataas	Keefe, J.	Menning	Renneke	Ulland, J.

Those who voted in the negative were:

Anderson	Gunderson	Luther	Purfeerst	Strand
Benedict	Hanson	McCutcheon	Schaaf	Stumpf
Borden	Hughes	Merriam	Schmitz	Vega
Chenoweth	Johnson	Moe	Setzepfandt	Wegener
Chmielewski	Keefe, S.	Nichols	Sikorski	Willet
Coleman	Kleinbaum	Olhoft	Solon	
Davies	Knoll	Olson	Spear	
Dieterich	Laufenburger	Perpich	Staples	
Gearty	Lewis	Peterson	Stokowski	

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

H. F. No. 1500 was read the third time, as amended, and placed on its final passage.

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

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

Those who voted in the affirmative were:

Anderson	Gunderson	Luther	Penny	Spear
Benedict	Hanson	McCutcheon	Perpich	Staples
Borden	Hughes	Menning	Peterson	Stokowski
Chenoweth	Johnson	Merriam	Purfeerst	Strand
Chmielewski	Keefe, S.	Moe	Schaaf	Stumpf
Coleman	Kleinbaum	Nelson	Schmitz	Vega
Davies	Knoll	Nichols	Setzepfandt	Wegener
Dieterich	Laufenburger	Olhoft	Sikorski	Willet
Gearty	Lewis	Olson	Solon	

Those who voted in the negative were:

Ashbach	Dunn	Keefe, J.	Ogdahl	Sillers
Bang	Engler	Kirchner	Pillsbury	Ueland, A.
Bernhagen	Frederick	Knaak	Renneke	Ulland, J.
Brataas	Jensen	Knutson	Sieloff	

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

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 10:00 o'clock a.m., Monday, January 30, 1978. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SIXTY-SEVENTH DAY

St. Paul, Minnesota, Monday, January 30, 1978

The Senate met at 10:00 o'clock a.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. James Bjorge.

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

Anderson	Frederick	Knutson	Punfeerst	Strand
Ashbach	Gearty	Laufenburger	Renneke	Stumpf
Bang	Hanson	Lessard	Schaaf	Tennessee
Benedict	Hughes	Luther	Schmitz	Ueland, A.
Borden	Humphrey	McCutcheon	Schrom	Ulland, J.
Chenoweth	Johnson	Merriam	Setzepfandt	Vega
Chmielewski	Keefe, J.	Nelson	Sieloff	Wegener
Coleman	Keefe, S.	Nichols	Sikorski	Willet
Davies	Kinchner	Ogdahl	Sillers	
Dieterich	Kleinbaum	Penny	Solon	
Dunn	Knaak	Peterson	Spear	
Engler	Knoll	Pillsbury	Stokowski	

The President declared a quorum present.

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

MEMBERS EXCUSED

Mr. Bernhagen, Mrs. Brataas, Messrs. Moe, Lewis, Olhoft, Olson and Mrs. Staples were excused from the Session of today.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Merriam, Anderson, Sillers, Hughes and Dieterich introduced—

S. F. No. 1781: A bill for an act relating to education; school districts; providing for adjustments in certain school aid and tax levy procedures; amending Minnesota Statutes 1976, Sections 6.62, Subdivision 1; 121.904, Subdivision 7; 124.212, by adding a subdivision; 126.12; 134.03; 275.125, Subdivisions 15, 16 and 18; Minnesota Statutes, 1977 Supplement, Sections 275.07; 275.124; repealing Minnesota Statutes 1976, Sections 120.07 and 124.02.

Referred to the Committee on Education.

Mr. Merriam introduced—

S. F. No. 1782: A bill for an act relating to education; allowing permanent fund transfers from the area vocational-technical schools general fund to the area vocational-technical schools capital expenditure fund; amending Minnesota Statutes, 1977 Supplement, Section 121.912, Subdivision 1.

Referred to the Committee on Education.

Mr. Merriam introduced—

S. F. No. 1783: A bill for an act relating to education; changing the penalty for underlevies of the maximum maintenance levy allowable; amending Minnesota Statutes, 1977 Supplement, Section 275.125, Subdivision 2a.

Referred to the Committee on Education.

Mr. Merriam introduced—

S. F. No. 1784: A bill for an act relating to education; teachers; correcting the teacher discharge or nonrenewal date for flexible school year programs; amending Minnesota Statutes 1976, Section 120.64, Subdivision 4.

Referred to the Committee on Education.

Messrs. Luther, Menning, Olhoft and Stokowski introduced—

S. F. No. 1785: A bill for an act relating to intoxicating liquor; increasing certain license fees; amending Minnesota Statutes 1976, Sections 340.11, Subdivision 14; 340.113, Subdivision 2; 340.402; and 340.493, Subdivision 2.

Referred to the Committee on Commerce.

Messrs. Schmitz, Bernhagen, Stumpf, Knoll and Hughes introduced—

S. F. No. 1786: A bill for an act relating to veterans; requiring all counties to appoint a veterans service officer; amending Minnesota Statutes 1976, Section 197.60, Subdivision 1.

Referred to the Committee on General Legislation and Veterans Affairs.

Messrs. Penny, Nichols, Anderson, Gunderson and Sieloff introduced—

S. F. No. 1787: A bill for an act relating to the national guard; amending the state military code; providing penalties; amending Minnesota Statutes 1976, Sections 192.06; 192.11; 192.12; 192.261, Subdivision 5; 192.32; 192.33; 192.34; and Chapter 192, by adding

a section; repealing Minnesota Statutes 1976, Sections 190.28; 192.09; and 192.10.

Referred to the Committee on General Legislation and Veterans Affairs.

Messrs. Lessard, Vega, Mrs. Staples, Messrs. Nelson and Knutson introduced—

S. F. No. 1788: A bill for an act relating to veterans; classification of records; amending Minnesota Statutes 1976, Section 197.603.

Referred to the Committee on Judiciary.

Messrs. Gunderson, Penny, Nichols, Sikorski and Mrs. Knaak introduced—

S. F. No. 1789: A bill for an act relating to employments licensed by the state; architects, engineers and landscape architects; requiring knowledge of barrier free design to acquire license; amending Minnesota Statutes 1976, Section 326.10, by adding a subdivision.

Referred to the Committee on Commerce.

Messrs. Gunderson, Nichols, Sikorski, Mrs. Knaak and Mr. Borden introduced—

S. F. No. 1790: A bill for an act relating to handicapped and disabled persons; requiring installation and use of wheelchair securement devices in vehicles used for transporting wheelchair users; providing for inspection of wheelchair securement devices; requiring other safety measures in vehicles used for transporting wheelchair users; authorizing the admissibility of certain evidence in litigation; providing penalties.

Referred to the Committee on Transportation.

Messrs. Stumpf, Willet, Dunn and Merriam introduced—

S. F. No. 1791: A bill for an act relating to local water and related land resources management; establishment, financing and termination of lake improvement districts; appropriating money in relation thereto; amending Minnesota Statutes 1976, Sections 378.41, Subdivision 1; 378.42, Subdivision 1; 378.43, Subdivision 1; 378.44; 378.46; 378.47, Subdivision 1; 378.52, Subdivision 1; 378.55; and 378.56, Subdivision 1; repealing Minnesota Statutes 1976, Section 378.31, Subdivision 11; 378.41, Subdivision 2; 378.45; 378.51, Subdivision 3; 378.53; and 378.54.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Borden introduced—

S. F. No. 1792: A bill for an act relating to the city of Brainerd; firemen's service pensions; amending Laws 1973, Chapter 170, Section 1.

Referred to the Committee on Governmental Operations.

Mr. Borden introduced—

S. F. No. 1793: A bill for an act relating to the city of Brainerd; service credit in the public employees police and fire fund for the fire chief therein.

Referred to the Committee on Governmental Operations.

Mr. Borden introduced—

S. F. No. 1794: A bill for an act relating to education; school districts; authorizing school districts to provide health and hospitalization or other coverage for its employees through self-insurance; amending Minnesota Statutes 1976, Section 471.61, Subdivision 1.

Referred to the Committee on Education.

Messrs. Olhoft, Hanson, Setzepfandt and Bernhagen introduced—

S. F. No. 1795: A bill for an act relating to taxation; changing maximum size of homestead owned by family farm corporation or partnership for property tax purposes; amending Minnesota Statutes 1976, Section 273.13, Subdivision 6a.

Referred to the Committee on Taxes and Tax Laws.

Mr. Perpich introduced—

S. F. No. 1796: A bill for an act relating to the city of Chisholm; police and firemen's relief associations; reversion of funds and bond of treasurer.

Referred to the Committee on Governmental Operations.

Messrs. Johnson and Perpich introduced—

S. F. No. 1797: A bill for an act relating to public safety; requiring fencing of unused open pit mines; providing a penalty.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Nelson and Strand introduced—

S. F. No. 1798: A bill for an act relating to state employees; clarifying eligibility for life and health benefits; further defining

eligible employees; amending Minnesota Statutes 1976, Sections 43.43, by adding a subdivision; and 43.44, Subdivision 2.

Referred to the Committee on Governmental Operations.

Mr. Pillsbury introduced—

S. F. No. 1799: A bill for an act relating to the city of Mound; firemen's service pensions; amending Laws 1973, Chapter 175, Section 1, as amended.

Referred to the Committee on Governmental Operations.

Mr. Keefe, J.; Mrs. Staples; Messrs. Knutson; Bernhagen and Ashbach introduced—

S. F. No. 1800: A bill for an act relating to public welfare; eligibility for general assistance; county of financial responsibility residency requirements; amending Minnesota Statutes 1976, Sections 256D.05, Subdivision 1; and 256D.18, Subdivision 2.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Laufenburger, Penny and Purfeerst introduced—

S. F. No. 1801: A bill for an act relating to highway traffic regulation; concerning special use permits for vehicles; authorizing the collection of total cost of issuance and damages; amending Minnesota Statutes 1976, Section 169.86, Subdivision 3.

Referred to the Committee on Transportation.

Messrs. Laufenburger, Solon, Stokowski, Chenoweth and Mrs. Brataas introduced—

S. F. No. 1802: A bill for an act relating to drivers' licenses; providing that a Class C license is valid for operation of the rear portion of a midmount aerial ladder truck; amending Minnesota Statutes 1976, Section 171.02, Subdivision 2.

Referred to the Committee on Transportation.

Mrs. Staples, Messrs. Hughes, Sillers, Davies and McCutcheon introduced—

S. F. No. 1803: A bill for an act relating to children; establishing a comprehensive child protective services program; prescribing duties of the commissioner of public welfare and local social service agencies; authorizing grants for experimental programs to encourage interagency cooperation; appropriating money.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Dieterich, Hanson, McCutcheon, Bernhagen and Davies introduced—

S. F. No. 1804: A bill for an act relating to courts; concerning the expungement of judicial commitment proceedings.

Referred to the Committee on Judiciary.

Mr. Schmitz introduced—

S. F. No. 1805: A bill for an act relating to courts; providing for the retirement pension of a judge of the county court of Carver county.

Referred to the Committee on Governmental Operations.

Messrs. Knoll; Willet; Anderson; Ulland, J. and Keefe, S. introduced—

S. F. No. 1806: A bill for an act relating to housing; providing funds for housing programs for native Americans; appropriating money; amending Minnesota Statutes 1976, Sections 462A.07, by adding a subdivision; 462A.21, by adding a subdivision.

Referred to the Committee on Energy and Housing.

Messrs. Strand, Stokowski, Renneke, Ogdahl and Peterson introduced—

S. F. No. 1807: A bill for an act relating to retirement; clarifying various ambiguous retirement provisions; removing various obsolete gender references; amending Minnesota Statutes 1976, Sections 352B.14, Subdivisions 3 and 4; 352B.26, Subdivisions 2 and 3; 352B.28; 352D.05, Subdivision 3; 423.37; 423.371, Subdivision 2; 423.377; 423.38; 423.381; 423.387; 423.48; 423.51; 423.52; 423.58; 423.802, Subdivision 2; 423.810, Subdivisions 1 and 2; 424.16; 424.17; 424.24; 424.29; 424.31; Minnesota Statutes, 1977 Supplement, Sections 69.772, Subdivision 2; 352B.08, Subdivision 2; 422A.09, Subdivision 3; and 422A.33, Subdivision 3; Laws 1969, Chapter 1088, Section 4, Subdivision 4; and Laws 1977, Chapter 61, Section 5; repealing Minnesota Statutes 1976, Sections 423.22 to 423.36; and 425.01 to 425.09.

Referred to the Committee on Governmental Operations.

Messrs. Strand, Stokowski, Renneke, Ogdahl and Peterson introduced—

S. F. No. 1808: A bill for an act relating to retirement; providing for biennial local police and paid fire fund actuarial valuations; amending Minnesota Statutes 1976, Sections 69.77, Subdivisions 1, 2 and by adding a subdivision; 69.773, Subdivision 2; 69.78; 356.20, Subdivision 2; 356.215, Subdivision 2 and 4; Chapter 356, by adding a section; Laws 1955, Chapter 75, Section 9, as added and Section 12, as amended; Laws 1959, Chapter 131, Section 10, Subdivision 1, as amended; Laws 1965, Chapter 446, Section 7, Subdivision 1; Laws 1965, Chapter 458, Section 3, Subdivision

2; Laws 1965, Chapter 498, Section 1, Subdivision 1; Laws 1967, Chapter 736, Section 11, Subdivision 1; Laws 1967, Chapter 775, Section 8; Laws 1967, Chapter 798, Section 1, Subdivisions 1 and 2; Laws 1969, Chapter 576, Section 1; Laws 1969, Chapter 641, Section 2, Subdivision 1; Laws 1971, Chapter 51, Section 9, and Section 10, Subdivisions 1 and 2; Laws 1971, Chapter 810, Section 7; Laws 1973, Chapter 587, Section 1; Laws 1975, Chapter 424, Sections 10 and 11; repealing Minnesota Statutes 1976, Sections 69.71; 69.72; 69.73; 69.74; 69.75; 69.76; 490.131; and Laws 1963, Chapter 643, Section 27.

Referred to the Committee on Governmental Operations.

Messrs. Strand, Stokowski, Renneke, Ogdahl and Peterson introduced—

S. F. No. 1809: A bill for an act relating to retirement; providing for an exclusion from public pension coverage for those persons covered by certain federal public service employment programs in compliance with federal regulations; amending Minnesota Statutes 1976, Sections 69.29; 136.80, Subdivision 1; 352B.01, Subdivision 2; 353.64, by adding a subdivision; 354A.10; 423.23; 423.372; 423.43; 423.801, Subdivision 2; 424.03; Chapter 356, by adding a section; and Laws 1969, Chapter 950, Section 1; Minnesota Statutes, 1977 Supplement, Sections 352.01, Subdivision 2B; 353.01, Subdivision 2b; 354.05, Subdivision 2; 422A.09, Subdivision 3.

Referred to the Committee on Governmental Operations.

Mr. Peterson, Mrs. Staples, Messrs. Vega, Knutson and Olhoff introduced—

S. F. No. 1810: A bill for an act relating to medical assistance; nursing home rates; modifying the definition of facility; amending Minnesota Statutes 1976, Section 256B.42, Subdivision 2.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Peterson, Mrs. Staples, Messrs. Vega, Knutson and Olhoff introduced—

S. F. No. 1811: A bill for an act relating to medical assistance; nursing home rates; providing a definition for fixtures; amending Minnesota Statutes 1976, Section 256B.42, by adding a subdivision.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Peterson, Vega and Knutson introduced—

S. F. No. 1812: A bill for an act relating to medical assistance; nursing home rates; modifying provisions for determination of the investment allowance percentage; amending Minnesota Statutes, 1977 Supplement, Section 256B.45, Subdivision 1.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Vega, Solon, Benedict, Nichols and Nelson introduced—

S. F. No. 1813: A bill for an act relating to taxation; income tax; exempting public pensions; amending Minnesota Statutes, 1977 Supplement, Section 290.08, Subdivision 6.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Keefe, J.; Schaaf and Pillsbury introduced—

S. F. No. 1814: A bill for an act relating to taxation; diseased shade tree removal and replacement expenses; providing optional deductions from gross income and credits against property tax; amending Minnesota Statutes 1976, Section 290.09, by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Keefe, J.; Schaaf and Pillsbury introduced—

S. F. No. 1815: A bill for an act relating to shade tree disease control; authorizing retroactive payments by municipalities to certain residential property owners for removal of diseased shade trees; amending Minnesota Statutes 1976, Section 18.023, by adding a subdivision; and Minnesota Statutes, 1977 Supplement, Section 18.023, Subdivision 4.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Keefe, J.; McCutcheon; Chenoweth and Jensen introduced—

S. F. No. 1816: A bill for an act relating to taxation; contract for deed; filing date for certificate of value; amending Minnesota Statutes, 1977 Supplement, Section 272.115, Subdivision 4.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Johnson and Perpich introduced—

S. F. No. 1817: A bill for an act relating to local government; setting conditions for the removal of local government units to permit mining.

Referred to the Committee on Local Government.

Mr. Johnson introduced—

S. F. No. 1818: A bill for an act relating to taxation; motor vehicle excise tax; defining purchase price; providing for a used motor vehicle credit on the excise tax in certain transactions; amending Minnesota Statutes 1976, Section 297B.01, Subdivision 8.

Referred to the Committee on Taxes and Tax Laws.

Mr. Johnson introduced—

S. F. No. 1819: A bill for an act relating to motor vehicles; repealing the motor vehicle transfer tax; repealing Minnesota Statutes 1976, Section 168B.11.

Referred to the Committee on Taxes and Tax Laws.

Mr. Johnson introduced—

S. F. No. 1820: A bill for an act relating to motor vehicles; providing that the transfer tax on motor vehicles be directly received by counties; amending Minnesota Statutes 1976, Section 168B.11.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Johnson, Solon and Ulland, J. introduced—

S. F. No. 1821: A bill for an act relating to game and fish; empowering the commissioner of natural resources to authorize the use of two lines for angling while trolling on Lake Superior; amending Minnesota Statutes 1976, Section 101.41, by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Merriam, Anderson, Hughes, Sillers and Dieterich introduced—

S. F. No. 1822: A bill for an act relating to education; teachers; requiring school districts to grant certain extended leaves of absence; amending Minnesota Statutes, 1977 Supplement, Section 125.60, Subdivision 2.

Referred to the Committee on Education.

Messrs. Kleinbaum, Wegener, Solon and Dunn introduced—

S. F. No. 1823: A bill for an act relating to military justice; providing for military judges; modifying court composition and punishment authority; making other changes consistent and current federal military law; amending Minnesota Statutes 1976, Sections 192A.015; 192A.02; 192A.045; 192A.06; 192A.085; 192A.09; 192A.10; 192A.105; 192A.11, Subdivision 3; 192A.12; 192A.13; 192A.14; 192A.145, Subdivisions 3 and 4; 192A.15; 192A.155; 192A.16; 192A.165; 192A.18, Subdivisions 1 and 2; 192A.195; 192A.205; 192A.21, Subdivision 2; 192A.215; 192A.22; 192A.225; 192A.23; 192A.245; 192A.25, Subdivision 2; 192A.265, Subdivision 1; 192A.275; 192A.28; 192A.29; 192A.305; 192A.315; 192A.345, Subdivisions 2 and 3; 192A.355; 192A.47; 192A.555; 192A.585; 192A.595, Subdivision 1; 192A.61, Subdivision 3; 192A.615; Chapter 192A by adding sections; and repealing Minne-

sota Statutes 1976, Sections 192A.01, Subdivision 1; 192A.04, Subdivisions 4 and 5; 192A.125; and 192A.565.

Referred to the Committee on Judiciary.

Messrs. Davies, Merriam, Borden and Jensen introduced—

S. F. No. 1824: A bill for an act relating to civil actions; providing for the issuance of process in proceedings supplementary to execution; amending Minnesota Statutes 1976, Section 575.02.

Referred to the Committee on Judiciary.

Messrs. Davies, Sikorski, Johnson, Merriam and Ashbach introduced—

S. F. No. 1825: A bill for an act relating to intoxicating liquor; persons to whom furnishing prohibited; amending Minnesota Statutes 1976, Section 340.14, Subdivision 1a.

Referred to the Committee on Judiciary.

Mr. Davies, Mmes. Brataas, Staples and Mr. Dieterich introduced—

S. F. No. 1826: A bill for an act relating to marriage and divorce; revising provisions allowing minors to marry; modifying prohibitions of marriage between certain parties; modifying requirements to receive a marriage license; requiring blood tests of applicants for a license to marry; modifying penalties for certain offenses; providing that children born of a prohibited marriage are legitimate; revising procedures and grounds for annulment actions; declaring the legal rights of putative spouses; providing new procedures for actions of dissolution and legal separation; limiting grounds for a dissolution to a finding that the marriage is irretrievably broken; modifying procedures for custody proceedings; declaring the right of a custodial parent to determine a child's upbringing; defining marital property; defining provisions for an award of maintenance to a spouse; amending Minnesota Statutes 1976, Sections 517.02; 517.03; 517.04; 517.05; 517.06; 517.07; 517.09; 517.13; 517.14; 517.15; 517.16; 517.17; 517.19; 518.001; 518.01; 518.02; 518.03; 518.05; 518.06, Subdivision 1, and by adding a subdivision; 518.07; 518.09; 518.10; 518.11; 518.12; 518.13; 518.14; 518.16; 518.165; 518.17; 518.175, Subdivisions 1 and 3, and by adding a subdivision; 518.18; 518.24; 518.27; 518.54; 518.55; 518.57; 518.58; 518.61; 518.62; 518.63; 518.64; 518.65; Chapter 517, by adding a section; and Chapter 518, by adding sections; and Minnesota Statutes, 1977 Supplement, Sections 517.01; 517.08, Subdivisions 1 and 3; 518.155; and 518.551; repealing Minnesota Statutes 1976, Sections 518.06, Subdivision 2; 518.15; 518.29; 518.59; and 518.67.

Referred to the Committee on Judiciary.

Messrs. Spear, Ulland, J.; Keefe, S.; Willet and Lewis introduced—

S. F. No. 1827: A bill for an act relating to human rights; prohibiting employment and bonding discrimination on the basis of a criminal record; amending Minnesota Statutes 1976, Sections 363.01, Subdivision 24, and by adding subdivisions; 363.03, by adding a subdivision; Minnesota Statutes, 1977 Supplement, Sections 363.02, Subdivision 1; 363.03, Subdivision 1; 363.05, Subdivision 1; 363.11; 363.115; and 363.12, Subdivision 1.

Referred to the Committee on Judiciary.

Mrs. Knaak, Messrs. Frederick, Stokowski and Ashbach introduced—

S. F. No. 1828: A bill for an act relating to education; school aids; adjusting the foundation aid formula in certain cases of decreasing enrollment; appropriating money; amending Minnesota Statutes, 1977 Supplement, Section 124.17, Subdivision 1; and Laws 1977, Chapter 447, Article 1, Section 23, Subdivision 2.

Referred to the Committee on Education.

Messrs. Lessard, Sikorski, Strand, Nelson and Setzepfandt introduced—

S. F. No. 1829: A bill for an act relating to taxation; income tax; exempting certain military pay and pensions from taxation; amending Minnesota Statutes 1976, Section 290.65, by adding a subdivision; and Minnesota Statutes, 1977 Supplement, Sections 290.01, Subdivision 20; 290.08, Subdivision 6; and 290.92, Subdivisions 1 and 16.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Solon; Ulland, J.; Davies and Purfeerst introduced—

S. F. No. 1830: A bill for an act regarding corporations; modifying certain filing fees for domestic corporations; amending Minnesota Statutes 1976, Section 300.49, Subdivision 1.

Referred to the Committee on Judiciary.

Messrs. Merriam, Willet, Anderson, Dunn and Luther introduced—

S. F. No. 1831: A bill for an act relating to power plant sites and high voltage transmission line routes; clarifying the rights of property owners and transferees who previously transferred real property to utilities; amending Minnesota Statutes, 1977 Supplement, Section 116C.63, Subdivisions 4 and 5.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Merriam introduced—

S. F. No. 1832: A bill for an act relating to taxation; removing fees paid for drivers education in certain schools from the income

tax deduction for school tuition; amending Minnesota Statutes 1976, Section 290.09, Subdivision 22.

Referred to the Committee on Taxes and Tax Laws.

Mr. Merriam introduced—

S. F. No. 1833: A bill for an act relating to taxation; extending the property tax assessment freeze to disabled persons; amending Minnesota Statutes 1976, Section 273.011, Subdivisions 2 and 4.

Referred to the Committee on Taxes and Tax Laws.

Mr. Merriam introduced—

S. F. No. 1834: A bill for an act relating to mosquito control in certain counties in the metropolitan area; repealing provisions of law governing mosquito control; abolishing mosquito control districts; repealing Minnesota Statutes 1976, Sections 473.701 to 473.717.

Referred to the Committee on Governmental Operations.

Mr. Merriam introduced—

S. F. No. 1835: A bill for an act relating to public health; allowing a parent or guardian to refuse certain immunizations for a child or ward on conscientious grounds; amending Minnesota Statutes 1976, Section 123.70, Subdivisions 1 and 2.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Borden, Bang and Benedict introduced—

S. F. No. 1836: A bill for an act relating to savings associations; authorizing savings associations to establish negotiable order of withdrawal accounts; amending Minnesota Statutes 1976, Chapter 51A, by adding a section.

Referred to the Committee on Commerce.

Messrs. Kirchner, Gearty, Moe, Mrs. Brataas and Mr. Tennessen introduced—

S. F. No. 1837: A bill for an act relating to financial institutions; defining reverse mortgage loans; authorizing investments by certain financial institutions and insurance companies in reverse mortgage loans; providing a tax deduction for accrued interest on reverse mortgage loans; amending Minnesota Statutes 1976, Section 290.09, Subdivision 3; and Chapter 47, by adding a section.

Referred to the Committee on Commerce.

Messrs. Willet, Peterson, Moe, Bernhagen and Chenoweth introduced—

S. F. No. 1838: A bill for an act relating to natural resources; creating a citizens advisory body known as the natural resources congress; specifying its membership, organization, and duties; appropriating money.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Chenoweth, Mrs. Staples, Messrs. Schaaf, Sikorski and Ashbach introduced—

S. F. No. 1839: A bill for an act relating to municipalities; hospital, nursing home and health care facilities; authorizing municipalities to include refinancing of existing indebtedness in the cost of a project; amending Minnesota Statutes 1976, Sections 447.35; 447.45, Subdivision 1; 447.47; and 474.05.

Referred to the Committee on Governmental Operations.

Messrs. Merriam, Hughes, Sillers and Anderson introduced—

S. F. No. 1840: A bill for an act relating to education; secondary vocational education; allowing contracts with public or private agencies and providing aids for these contracts; amending Minnesota Statutes, 1977 Supplement, Section 124.573, by adding a subdivision.

Referred to the Committee on Education.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H. F. No. 1792.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted January 26, 1978

FIRST READING OF HOUSE BILLS

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

H. F. No. 1792: A bill for an act relating to the Lincoln-Pipestone and Rock county rural water systems; providing for the assessment of costs.

Referred to the Committee on Agriculture and Natural Resources.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted, with the exception of reports pertaining to appointments. The motion prevailed.

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 910: A bill for an act relating to local government; powers and duties of the Minnesota municipal board; regulating the incorporation, annexation, detachment, consolidation and boundary adjustments of certain local governmental units; amending Minnesota Statutes 1976, Sections 414.01, Subdivisions 1, 2, 5, 7a, 8, 12, 14, and 15; 414.011, Subdivisions 2, 3, 5, and by adding subdivisions; 414.02; 414.031; 414.033, Subdivisions 1, 2, 3, 5, 6, 7, and by adding a subdivision; 414.041; 414.06; 414.061, Subdivisions 1 and 4, and by adding subdivisions; 414.065; 414.067; 414.07; 414.09; and Chapter 414, by adding sections; repealing Minnesota Statutes 1976, Sections 414.021; 414.032; 414.033, Subdivision 4; 414.034; 414.061, Subdivision 3; and 414.068.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 414.01, Subdivision 1, is amended to read:

414.01 [CREATION OF A BOARD.] Subdivision 1. A board to be known as the Minnesota municipal board is hereby created to conduct proceedings and issue orders for the incorporation of property into statutory cities; the detachment of property from municipalities; and the annexation of property to municipalities; the consolidation of municipalities; and the consolidation of towns with municipalities *creation of a municipality, the combination of two or more governmental units, or the alteration of a municipal boundary.*

The legislature finds that: (1) sound urban development and preservation of agricultural land and open spaces through land use planning is essential to the continued economic growth of this state; (2) municipal government is necessary to provide the governmental services essential to sound urban development and for the protection of health, safety, and welfare in areas being used intensively for residential, commercial, industrial, institutional, and governmental purposes or in areas undergoing such development most efficiently provides governmental services in areas intensively developed for residential, commercial, industrial, and governmental purposes; and township government most efficiently provides governmental services in areas used or developed for agricultural, open space, and rural residential purposes; (3) the public interest requires that municipalities be formed when there exists or will likely exist the necessary resources to provide for their economical and efficient operation; (4) annexation to or consolidation with existing municipalities or of unincorporated areas unable to supply municipal services should be facilitated; and, (5) the consolidation of municipalities should be encouraged. It is the purpose of this chapter to empower the Minnesota municipal board to promote and regulate development of municipalities to provide for the extension of municipal govern-

ment to areas which are developed or are in the process of being developed for intensive use for residential, commercial, industrial, institutional, and governmental purposes or are needed for such purposes; and to protect the stability of unincorporated areas which are used or developed for agricultural, open space, and rural residential purposes and are not presently needed for more intensive uses; and to protect the integrity of land use planning in municipalities and unincorporated areas so that the public interest in efficient local government will be properly recognized and served.

Sec. 2. Minnesota Statutes 1976, Section 414.01, Subdivision 2, is amended to read:

Subd. 2. The board shall be composed of three members appointed by the governor, with the advice and consent of the senate, at least one of whom shall be learned in the law. One of the members shall be a resident of a city of the first class, one shall be a resident of the metropolitan area as defined in section 473.02, subdivision 5 excluding therefrom any resident of any city of the first class and one shall be a resident from the area outside of such metropolitan area as heretofore defined. The board shall select from its members a chairman who shall have the powers and duties prescribed by the general law applicable to the heads of departments and agencies of the state. In proceedings before the board for the incorporation of a statutory city, consolidation of a municipality and town or of two or more municipalities, or annexation of unincorporated land to a municipality, two county commissioners of the board of the county in which all or a majority of the affected land is located shall serve on the board during such time as the board shall have under consideration said matter. The ~~secretary executive director~~ of the board shall upon initiation of a proceeding for such incorporation, consolidation, or annexation notify county in which the majority of the affected property is situated of the need for the appointment of the two county commissioners to the board. At the next succeeding meeting of the county board the commissioners shall designate the two appointed and shall thereupon immediately notify the Minnesota municipal board ~~secretary executive director~~ of their action. *The county commissioners shall represent districts which do not contain any of the affected territory. If unavailable, commissioners from the affected district may serve.*

Sec. 3. Minnesota Statutes 1976, Section 414.01, Subdivision 5, is amended to read:

Subd. 5. The board shall transact business and conduct hearings by a majority of its members except as otherwise provided for by subdivision 12 but a smaller number may adjourn from time to time. The chairman, in his discretion, may order the consolidation of separate hearings *proceedings* in the interest of economy and expedience. In those proceedings in which the board is composed of five members, no order of the board shall be final unless approved by three of the five members, and in all other proceedings unless approved by two of the three members.

Sec. 4. Minnesota Statutes 1976, Section 414.01, Subdivision 7a, is amended to read:

Subd. 7a. The Minnesota municipal board shall appoint a ~~secretary~~ *an executive director*, not a member of the board, who shall be learned in the law and receive a salary in an amount fixed by law. He shall devote full time to the duties of his office. All correspondence and petitions shall be addressed to the ~~secretary~~ *executive director* who shall be charged with conducting the administrative affairs of the board; ~~notifying the members of hearings, and making arrangements for hearings as to time and place, giving proper notice in the areas affected as hereinafter provided, keeping records and minutes, and providing secretarial service.~~

Sec. 5. Minnesota Statutes 1976, Section 414.01, Subdivision 8, is amended to read:

Subd. 8. The board shall have authority to contract with regional, state, county, or local planning commissions or to hire expert consultants to provide specialized information and assistance, and any member of the board conducting or participating in the conduct of any hearings, or its ~~secretary~~ *executive director*, shall have the power to administer oaths and affirmations, to issue subpoenas, and to compel the attendance and testimony of witnesses, and the production of papers, books, and documents.

Sec. 6. Minnesota Statutes 1976, Section 414.01, Subdivision 12, is amended to read:

Subd. 12. ~~The board~~ In proceedings pursuant to this chapter ~~may designate by resolution its secretary, the executive director or any of its members to board member may receive and report evidence. Anyone so designated and such person shall have power to administer oaths to witnesses, examine witnesses, and receive evidence. In any proceeding in which the evidence is received by one commissioner board member or by the secretary so designated executive director, such commissioner the board member or secretary executive director shall make a full report of the evidence to the board. When all members of the board do not attend a hearing in a proceeding, the executive director shall cause a transcript of the hearing to be made and distributed to all board members if requested by a party to the proceeding. Thereupon, the board shall proceed to make its decision based on all the evidence presented to the commissioner or secretary so designated and upon the report submitted. When the evidence is received by fewer than two permanent board members, the board's order shall be stayed for a period of 30 days, during which time any party of record may demand an oral review thereof a rehearing by the full board.~~

Sec. 7. Minnesota Statutes 1976, Section 414.01, Subdivision 14, is amended to read:

Subd. 14. When a board order enlarges or diminishes the area of an existing municipality or town, or creates a new municipality, the population of such ~~the~~ municipality or town for all purposes

shall be as found by the board at its hearing, until the next federal census. *The effective date of the population change shall be the same as the effective date of the order.*

Sec. 8. Minnesota Statutes 1976, Section 414.01, Subdivision 15, is amended to read:

Subd. 15. When a board order enlarges an existing municipality or creates a new municipality, the board shall *may* indicate in its order the estimated increased costs to *such* the municipality as the result of such annexation or consolidation *the boundary adjustment*, and the time period that *such* the municipality would be allowed a special levy for these increased costs pursuant to section 275.50, subdivision 5 ; ~~clause (g)~~. *This subdivision shall apply to annexations or consolidations of municipalities in levy year 1971 or a subsequent levy year.*

Sec. 9. Minnesota Statutes 1976, Section 414.011, Subdivision 5, is amended to read:

Subd. 5. "Property owner" means the fee owner of land, or the beneficial owner of land whose interest is primarily one of possession and enjoyment *in contemplation of ultimate ownership*. The term includes, but is not limited to, vendees under a contract for deed, and mortgagors. *Any reference to a percentage of property owners shall mean in number.*

Sec. 10. Minnesota Statutes 1976, Section 414.011, is amended by adding subdivisions to read:

Subd. 7. "Boundary adjustment" means any proceeding by the municipal board authorized by this chapter.

Subd. 8. "Meetings" and "hearings" includes, but is not limited to, board deliberations by electronic media.

Subd. 9. "Corporate boundary map" means a map which accurately describes the boundaries of a municipality.

Subd. 10. "Plat map" means that document recorded in the office of the county recorder in the county where the area is located.

Sec. 11. Minnesota Statutes 1976, Chapter 414, is amended by adding a section to read:

[414.012] [MAPS.] *Subdivision 1. [CORPORATE BOUNDARY MAP.] A municipality initiating any boundary adjustment authorized by this chapter shall file with the municipal board a corporate boundary map. Any proposed boundary adjustment shall be delineated on a copy of the corporate boundary map.*

Subd. 2. [PLAT MAPS.] *Any party initiating a boundary adjustment, which includes platted land, shall file with the municipal board maps which are necessary to support and identify the land description. The maps shall include copies of plats.*

Sec. 12. Minnesota Statutes 1976, Section 414.02, is amended to read:

414.02 [MUNICIPAL INCORPORATION.] Subdivision 1. [INITIATING THE INCORPORATION PROCEEDINGS.] This section provides the exclusive method of incorporating a municipality in any county containing a city of the first or second class, in any county within any metropolitan areas as defined in section 473.02, subdivision 5, or in any other area of Minnesota if the proposed new municipality is within four miles of the boundary of an existing municipality. In any other area in Minnesota the petition or resolution for incorporation shall be filed with the board of county commissioners which shall apply the standards and procedures of this section in determining whether or not to order an incorporation. Hearings before the board of county commissioners shall be conducted by the secretary *Minnesota*. Proceedings for incorporation of a municipality may be initiated by petition of 100 or more property owners or by resolution of the town board having jurisdiction within an area containing a resident population of not less than 500 persons, and which is not included within the limits of any incorporated municipality and which area includes land that has been platted into lots and blocks in the manner provided by law. The petition or resolution shall be submitted to the secretary *executive director* and shall state the quantity of land embraced in it, platted and unplatted, the assessed valuation of the property, both platted and unplatted, the estimated number of actual residents, the proposed name of the municipality, a brief description of the existing facilities as to water, sewage disposal and fire and police protection, the names of all parties entitled to mailed notice under section 414.09, the reason for requesting incorporation, and shall include a *proposed corporate boundary map setting forth the boundaries of the territory*.

Subd. 2. [BOARD'S HEARING AND NOTICE.] Upon receipt of a petition or resolution made pursuant to subdivision 1, the secretary *executive director* of the board shall designate a time and place for a hearing in accordance with section 414.09.

Subd. 3. [BOARD'S ORDER.] Upon completion of the hearing *In arriving at its decision, the board shall consider the following factors:*

(a) *Present population, past population growth and projected population for the area;*

(b) *Quantity of land, both platted and unplatted, within the area proposed for incorporation; the natural terrain of the area including general topography, major watersheds, soil conditions and such natural features as rivers, lakes and major bluffs;*

(c) *Present pattern of physical development in the area including residential, industrial, commercial, agricultural and institutional land uses; the present transportation network and potential transportation issues, including proposed highway development;*

(d) *Land use controls and planning presently being utilized in the area, including comprehensive plans for development in the area. If there is an inconsistency between the proposed development and the land use planning ordinance in force, the reason for the inconsistency;*

(e) Present governmental services being provided to the area, including water and sewer service, fire rating and protection, police protection, street improvements and maintenance, administrative services, and recreational facilities;

(f) Existing or potential problems of environmental pollution and the need for additional services to resolve these problems;

(g) Fiscal data of the area, including the assessed valuation of both platted and unplatted lands and the division between homestead and nonhomestead property, and the present bonded indebtedness; and the mill rates of the county, school district, and township;

(h) Relationship and effect of the proposed incorporation on communities adjacent to the area and on school districts within and adjacent to the area;

(i) Adequacy of town government to deliver services to the area; and

(j) Analysis of whether necessary governmental services can best be provided through incorporation or annexation to an adjacent municipality.

Based upon these factors, the board may order the incorporation if it finds that (a) the property to be incorporated is now, or is about to become, urban or suburban in character, or (b) that the existing township form of government is not adequate to protect the public health, safety, and welfare, or (c) the proposed incorporation would be in the best interests of the area under consideration. The board may deny the incorporation if the area, or a part thereof would be better served by annexation to or consolidated with an adjacent municipality. As a guide in arriving at a determination, the board shall consider the following factors:

(a) Present population, past population growth and projected population for the area;

(b) Quantity of land within the area proposed for incorporation;

(c) Present pattern of physical development in the area including residential, industrial, commercial and institutional land uses;

(d) Comprehensive plans for development of the area including development as projected by the metropolitan council or the state planning agency;

(e) Type and degree of control presently being exercised over development in the area including zoning ordinances, subdivision regulations and housing and building codes;

(f) Natural terrain of the area including general topography, major watersheds, soil conditions and such natural features as rivers, lakes and major bluffs;

(g) Present governmental services being provided to the area including water and sewer service, fire and police protection, street improvements and maintenance, and recreational facilities;

(h) Existing or potential problems of environmental pollution and the need for additional services to avoid or minimize these problems;

(i) Fiscal data of the area including assessed valuation trends, mill rate trends (state, county school district and town) and present bonded indebtedness;

(j) Relationship and effect of the proposed incorporation on communities adjacent to the area and school districts within and adjacent to the area;

(k) Analysis of whether the needed governmental services can best be provided through incorporation or annexation to an adjacent municipality; and

(l) Adequacy of town government to deal with problems of the area.

The board may alter the boundaries of the proposed incorporation by increasing or decreasing the area to be incorporated so as to include only that property which is now, or is about to become, urban or suburban in character, or may exclude property that may be better served by another unit of government. *In all cases, the board shall set forth the factors which are the basis for the decision.*

Notwithstanding any other provision of law to the contrary relating to the number of wards which may be established, the board may provide for election of councilmen by wards, not less than three nor more than seven in number, whose limits are prescribed in the board order upon a finding that area representation is required to accord proper representation in the proposed incorporated area because of uneven population density in different parts thereof or the existence of agricultural lands therein which are in the path of suburban development, but after four years from the effective date of an incorporation the council of the municipality may by resolution adopted by a four-fifths vote abolish the ward system and provide for the election of all councilmen at large as in other municipalities.

The board's order for incorporation shall provide for the election of ~~municipality~~ *municipal* officers in accordance with section 414.09. The plan of government shall be "Optional Plan A", provided that an alternate plan may be adopted pursuant to Minnesota Statutes 1967, Section 412.551, at any time. *The ordinances of the township in which the new municipality is located shall continue in effect until repealed by the governing body of the new municipality.*

Subd. 4. [EFFECTIVE DATE OF INCORPORATION.] The incorporation shall be effective upon the election and qualification of new ~~municipality~~ *municipal* officers or on such later date as is fixed by the board in its order.

Sec. 13. Minnesota Statutes 1976, Section 414.031, is amended to read:

414.031 [ANNEXATION OF UNINCORPORATED PROPERTY BY BOARD ORDER.] Subdivision 1. [INITIATING THE PROCEEDING.] A proceeding for the annexation of unincorporated property abutting a municipality may be initiated by submitting to the ~~secretary~~ *executive director* and the affected township one of the following:

- (a) A resolution of the annexing municipality;
- (b) A resolution of the township containing the area proposed for annexation;
- (c) A petition of 20 percent of the property owners or 100 property owners, whichever is less, in the area to be annexed ;
- (d) *A resolution of the municipal council together with a resolution of the township board stating their desire to have the entire township annexed to the municipality .*

The petition, or resolution shall set forth the boundaries of the territory , ~~the quantity of land within the boundaries, the number of residents, the existing public facilities and services, and proposed for annexation,~~ the names of all parties entitled to notice under section 414.09, and the reasons for requesting annexation. If the proceeding is initiated by a petition of property owners, the petition shall be accompanied by a resolution of the annexing municipality ~~approving supporting the annexation petition .~~

Subd. 3. [BOARD'S HEARING AND NOTICE.] Upon receipt of a petition or resolution initiating an annexation the ~~secretary~~ *executive director* shall designate a time and a place for a hearing in accordance with section 414.09.

Subd. 4. [BOARD'S ORDER.] ~~Upon completion of the hearing~~ *In arriving at its decision, the board shall consider the following factors:*

- (a) *Present population, past population growth and projected population of the property proposed for annexation and the annexing municipality;*
- (b) *Quantity of land within the property proposed for annexation and the annexing municipality; and natural terrain including general topography, major watersheds, soil conditions and such natural features as rivers, lakes and major bluffs;*
- (c) *Degree of contiguity of the boundaries between the annexing municipality and the property proposed for annexation;*
- (d) *Present pattern of physical development of the property proposed for annexation and the annexing municipality including residential, industrial, commercial, agricultural and institutional land uses; the present transportation network and potential transportation issues, including proposed highway development;*
- (e) *Land use controls and planning presently being utilized in the annexing municipality and the property proposed for annexation, including comprehensive plans for development in the area. If there is an inconsistency between the proposed development and the land use planning ordinance in force, the reason for the inconsistency;*

(f) Present governmental services being provided in the annexing municipality and the property proposed for annexation, including water and sewer service, fire rating and protection, police protection, street improvements and maintenance, administrative services, and recreational facilities;

(g) Existing or potential problems of environmental pollution and the need for additional services to resolve these problems;

(h) Plans and programs by the annexing municipality for providing needed governmental services to the property proposed for annexation;

(i) Fiscal data of the annexing municipality and the property proposed for annexation, including assessed valuation and the present bonded indebtedness, and the mill rates of the county, school district, and township;

(j) Relationship and effect of the proposed annexation on communities adjacent to the area and on school districts within and adjacent to the area;

(k) Adequacy of town government to deliver services to the property proposed for annexation;

(l) Analysis of whether necessary governmental services can best be provided through incorporation or annexation to an adjacent municipality; and

(m) If only a part of a township is annexed, the ability of the remainder of the township to continue or the feasibility of it being incorporated separately or being annexed to another municipality.

Based upon these factors, the board may order the annexation (a) if it finds that the property proposed for annexation is now, or is about to become, urban or suburban in character. The board may in any case order the annexation, or (b) if it finds that municipal government of the property in the area proposed for annexation is required to protect the public health, safety, and welfare in reference to plat control or land development and construction which may be reasonably expected to occur within a reasonable time thereafter and, or (c) if it finds that the annexation would be in the best interest of the annexing municipality and of the property proposed for annexation and, . If only a part of a township is to be annexed, that the board shall consider whether the remainder of the township can continue to carry on the functions of government without undue hardship. The petition shall be denied if the board shall deny the annexation if it finds that the increase in revenues for the annexing municipality bears no reasonable relation to the monetary value of benefits conferred upon the annexed area. The annexation may be denied board may deny the annexation (a) if it appears that annexation of all or a part of the property to an adjacent municipality would better serve the interests of the residents of the property or (b) if the remainder of the township would suffer undue hardship. In arriving at its decision the board shall consider the following factors:

(a) Present population, past population growth and projected population of the property proposed for annexation and the annexing municipality;

(b) Area of the property proposed for annexation and the annexing municipality;

(c) Present pattern of physical development of the property proposed for annexation and the annexing municipality including residential, industrial, commercial and institutional land uses;

(d) Comprehensive plans for development of the property proposed for annexation and the annexing municipality including projected development for the area as developed by the metropolitan council or the state planning agency;

(e) Type and degree of control presently being exercised over development of the property proposed for annexation and the annexing municipality including zoning ordinances, subdivision regulations and housing and building codes;

(f) Natural terrain including general topography, major watersheds, soil conditions and such natural features as rivers, lakes and major bluffs;

(g) Present governmental services being provided in the annexing municipality and the property proposed for annexation, including water and sewer service, fire and police protection, street improvements and maintenance, and recreational facilities;

(h) Existing or potential problems of environmental pollution and the need for additional services to avoid or minimize these problems;

(i) Fiscal data of the annexing municipality and the property proposed for annexation including assessed valuation trends, mill rate trends (state, county, school district and town) and present bonded indebtedness;

(j) Relationship and effect of the proposed annexation on communities adjacent to the area and school districts within and adjacent to the area;

(k) Analysis of whether the needed governmental services can best be provided through incorporation, or consolidation with or annexation to an adjacent municipality;

(l) Adequacy of town government to adequately deal with problems of the property proposed for annexation;

(m) Availability of space within the annexing municipality to provide for projected future growth;

(n) Plans and programs by the annexing municipality for providing needed government services to the proposed annexed property;

(o) Degree of contiguity of the boundaries between the annexing municipality and the proposed annexed property; and

(p) If only a part of a township is annexed, the ability of the

remainder of the township to continue or the feasibility of it being incorporated separately or being annexed to another municipality.

The board may alter the boundaries of the area to be annexed by increasing or decreasing the area so as to include only that property which is now or is about to become urban or suburban in character or to add property of such character abutting the area proposed for annexation in order to preserve or improve the symmetry of the area, or to exclude property that may better be served by another unit of government. If the board determines that part of the area would be better served by another municipality or township, the board may initiate and approve annexation on its own motion by conducting further hearings and issuing orders pursuant to subdivisions 3, 4, and 5. In all cases, the board shall set forth the factors which are the basis for the decision.

Subd. 4a. [PROCEEDINGS INITIATED BY JOINT RESOLUTION.] If the proceeding has been initiated under subdivision 1, clause (d), any annexation order shall include a provision for the election of new municipal officers in accordance with section 414.09. The expanded municipality shall be governed by the home rule charter or statutory form which governs the annexing municipality, except that any ward system for the election of councilmen shall be inoperable. The ordinances of both the annexing municipality and the township shall continue in effect within the former boundaries until repealed by the governing body of the new municipality.

Notwithstanding any other provision of law to the contrary the board may provide for election of councilmen by wards, not less than three nor more than seven in number, whose limits are prescribed in the board order, upon a finding that area representation is required to accord proper representation in the municipality because of uneven population density in different parts thereof or the existence of agricultural lands therein which are in the path of suburban development; but after four years from the effective date of an annexation the council of the municipality may by resolution adopted by a four-fifths vote abolish the ward system and provide for the election of all councilmen at large.

Until the effective date of the annexation order, the town board and other officers of the town shall continue to exercise their powers and duties under the town laws in that portion of the municipality that was formerly the town, and the council and other officers of the annexing municipality shall continue to exercise their powers and duties in that portion of the expanded municipality that was formerly the municipality. Thereafter the town board and the council of the annexing municipality shall have no jurisdiction within the municipality, and the new municipal council and other new officers shall act in respect to any matters previously undertaken by the town board of supervisors or municipal council within the limits of the expanded municipality, including the making of any improvement and the levying of any special assessments therefor in the same manner and to

the same effect as if such improvement had been undertaken by the municipality.

The new municipal council may continue or discontinue any board that may have previously existed in the town or former municipality.

Subd. 5. [ANNEXATION ELECTION.] Where the proceeding for annexation has not been initiated by petition of a majority of the property owners within the area to be annexed, or when the board has assumed jurisdiction under section 414.-031, subdivision 1, clause (d) and orders that the entire township named in the resolution be annexed to the city named in the resolution, no referendum is required. In all other instances the order of the board for annexation shall fix a day, not less than twenty days nor more than ninety days, after the entry of such an order, when an election shall be held at a place designated by the board within the area determined by the board to be primarily and substantially interested in or affected by the board order. The secretary executive director shall cause a copy of the order affirming the petition, including the notice of the election, to be posted not less than 20 days before the election in three public places in the area, and shall cause notice of the election to be published two successive weeks in a newspaper qualified as medium of official and legal publication, of general circulation, in the area. The board shall appoint the necessary election judges from voters resident in the area and shall supervise them in their duties. The board shall designate the polling place or places, using so far as possible the usual polling place or places. The polls shall be open at least 13 hours and until at least 8 p.m. The judges shall conduct the election so far as practicable in accordance with the laws regulating special elections. Only voters residing within the area primarily and substantially interested in or affected by the board's order shall be entitled to vote. The ballot shall bear the words "For Annexation" and "Against Annexation" with a square before each of the phrases in one of which the voter shall make a cross to express his choice. The ballots and election supplies shall be provided and the election judges shall be paid by the petitioners or annexing municipality. Immediately upon completion of the counting of the ballots, the judges of the election shall make a signed and verified certificate declaring the time and place of holding the election, that they have canvassed the ballots cast, and the number cast both for and against the proposition, and they shall then file the certificate with the secretary executive director of the board. If the certificate shows the majority of the votes cast were "For Annexation" the board's order shall be effective in accordance with subdivision 6. *If a majority of votes were cast against the annexation, the board shall not issue an order for annexation. If the annexation is denied, or if it is defeated in the referendum, no proceeding for the annexation of substantially the same area may be initiated within two years from the date of the board's order, unless the new proceeding is initiated by a majority of the area's property owners and the petition is supported by any abutting townships and municipalities. The secretary executive director shall attach*

the certificate to the original petition or resolution, the original order affirming the petition or resolution as submitted or as amended in the order, and the original proofs of the posting of the election notice, and the annexation order upon receipt of the certificate notify all parties of record of the election results.

Subd. 6. [EFFECTIVE DATE OF ANNEXATION.] Upon the execution of the annexation order, pursuant to subdivision 5, a certified copy shall be sent to the council of the annexing city, the town board of the township in which the annexation area is located, and to the individual petitioners if initiated in that manner. A certified copy of the annexation order shall be sent to the secretary of state and the county auditor of the county or counties in which the property annexed is located. The annexation shall be effective as of the date of such filing fixed in the annexation order or on such later date as is fixed in the annexation order.

Sec. 14. Minnesota Statutes 1976, Chapter 414, is amended by adding a section to read:

[414.0325] [ORDERLY ANNEXATIONS WITHIN A DESIGNATED AREA.] *Subdivision 1. [INITIATING THE PROCEEDING.] One or more townships and one or more municipalities, by joint resolution, may designate an unincorporated area as in need of orderly annexation and may confer jurisdiction on the board over annexations in the designated area and over the various provisions in said agreement by submission of said joint resolution to the executive director. The resolution shall include a description of the designated area. Thereafter, an annexation of any part of the designated area may be initiated by submitting to the executive director a resolution of any signatory to the joint resolution or by the board of its own motion. Whenever the pollution control agency or other state agency pursuant to sections 115.03, 115.47, 115.49, or any law giving a state agency similar powers, orders a municipality to extend a municipal service to a designated unincorporated area, such an order will confer jurisdiction on the Minnesota Municipal Board to consider designation of the area for orderly annexation.*

Subd. 2. [BOARD'S HEARING AND NOTICE.] Upon receipt of a resolution for annexation of a part of the designated area, the executive director shall set a time and place for a hearing in accordance with section 414.09.

Subd. 3. [BOARD'S ORDER.] In arriving at its decision, the board shall consider the following factors:

(a) Present population, past population growth and projected population of the property proposed for annexation and the annexing municipality;

(b) Quantity of land within the property proposed for annexation and the annexing municipality; and natural terrain including general topography, major watersheds, soil conditions and such natural features as rivers, lakes and major bluffs;

(c) Degree of contiguity of the boundaries between the annexing municipality and the property proposed for annexation;

(d) Present pattern of physical development of the property proposed for annexation and the annexing municipality including residential, industrial, commercial, agricultural and institutional land uses; the present transportation network and potential transportation issues, including proposed highway development;

(e) Land use controls and planning presently being utilized in the annexing municipality and the property proposed for annexation, including comprehensive plans for development in the area. If there is an inconsistency between the proposed development and the land use planning ordinance in force, the reason for the inconsistency;

(f) Present governmental services being provided in the annexing municipality and the property proposed for annexation, including water and sewer service, fire rating and protection, police protection street improvements and maintenance, administrative services, and recreational facilities;

(g) Existing or potential problems of environmental pollution and the need for additional services to resolve these problems;

(h) Plans and programs by the annexing municipality for providing needed governmental services to the property proposed for annexation;

(i) Fiscal data of the annexing municipality and the property proposed for annexation, including assessed valuation and the present bonded indebtedness, and the mill rates of the county, school district, and township;

(j) Relationship and effect of the proposed annexation on communities adjacent to the area and on school districts within and adjacent to the area;

(k) Adequacy of town government to deliver necessary services to the property proposed for annexation;

(l) Analysis of whether the needed governmental services can best be provided through incorporation or annexation to an adjacent municipality; and

(m) If only a part of a township is annexed, the ability of the remainder of the township to continue or the feasibility of it being incorporated separately or being annexed to another municipality.

Based upon these factors, the board may order the annexation if it finds that the area proposed for annexation (a) is now or is about to become urban or suburban in character and that the annexing municipality is capable of providing the services required by the area within a reasonable time; or (b) if it finds that the existing township form of government is not adequate to protect the public health, safety, and welfare; or (c) if it finds that annexation would be in the best interests of the area proposed for annexation. The board may deny the annexation if it conflicts with any provision of the joint agreement. The board may alter the boundaries of the proposed annexation by increasing or decreasing the area so as to include that property within the

designated area which is in need of municipal services or will be in need of municipal services.

If the annexation is denied, no proceeding for the annexation of substantially the same area may be initiated within two years from the date of the board's order unless the new proceeding is initiated by a majority of the area's property owners and the petition is supported by affected parties to the resolution. In all cases, the board shall set forth the factors which are the basis for the decision.

Subd. 4. [EFFECTIVE DATE OF ANNEXATION.] The board's order shall be effective upon the issuance of the order or at such later time as is provided by the board in its order.

Subd. 5. [PLANNING IN THE AREA DESIGNATED FOR ORDERLY ANNEXATION.] A joint resolution may provide for the establishment of a board to exercise planning and land use control authority within any area designated as an orderly annexation area pursuant to this section, in the manner prescribed by Minnesota Statutes 1976, Section 471.59, Subdivisions 2 through 8, inclusive.

(a) A board established pursuant to a joint resolution shall have all of the powers contained in sections 462.351 to 462.364, and shall have the authority to adopt and enforce the uniform fire code promulgated pursuant to section 199F.011.

(b) The joint resolution may provide that joint planning and land use controls shall apply to any or all parts of the area designated for orderly annexation as well as to any adjacent unincorporated or incorporated area, provided that the area to be included shall be described in the joint resolution.

(c) If the joint resolution does not provide for joint planning and land use control, the following procedures shall govern:

If the county and townships agree to exclude the area from their zoning and subdivision ordinances, the municipality may extend its zoning and subdivision regulations to include the entire orderly annexation area as provided in section 462.357, subdivision 1, and section 462.358, subdivision 1.

If the county and township do not agree to such extraterritorial zoning and subdivision regulation by the municipality, zoning and subdivision regulation within the orderly annexation area shall be controlled by a three-member committee with one member appointed from each of the municipal, town, and county governing bodies. This committee shall serve as the "governing body" and "board of appeals and adjustments", for purposes of sections 462.357 and 462.358, within the orderly annexation area. The committee shall have all of the powers contained in sections 462.351 to 462.364, and shall have the authority to adopt and enforce the uniform fire code promulgated pursuant to section 199F.011.

Sec. 15. Minnesota Statutes 1976, Section 414.033, Subdivision 1, is amended to read:

414.033 [ANNEXATION BY ORDINANCE.] Subdivision 1. Except as hereinafter provided, unincorporated land abutting on any municipality and not included in any other municipality may be annexed to the municipality by ordinance in the manner provided in this section. *The annexation of unincorporated property abutting a municipality may be annexed to the municipality by ordinance as provided for in this section.*

Sec. 16. Minnesota Statutes 1976, Section 414.033, Subdivision 2, is amended to read:

Subd. 2. *If the land is owned by the municipality, the municipal council may by ordinance declare the land annexed to the municipality, and any such land is deemed to be urban in character. A municipal council may by ordinance declare land annexed to the municipality and any such land is deemed to be urban or suburban in character or about to become so if:*

(a) *The land is owned by the municipality; or*

(b) *The land is completely surrounded by land within the municipal limits.*

Sec. 17. Minnesota Statutes 1976, Section 414.033, Subdivision 3, is amended to read:

Subd. 3. *If the perimeter of the area to be annexed by a municipality is 60 percent or more bordered by the municipality and if the area to be annexed is 40 acres or less, the municipality shall serve notice of intent to annex upon the town board and the municipal board. The town board shall have 90 days from the date of service to serve objections with the board. If no objections are forthcoming within the said 90-day period, such land may be annexed by ordinance. If objections are filed with the board, the board shall conduct hearings and issue its order as in the case of annexations under section 414.031, subdivisions 3 and 4.*

Sec. 18. Minnesota Statutes 1976, Section 414.033, Subdivision 5, is amended to read:

Subd. 5. *If the land is platted, or, if unplatted, does not exceed 200 acres, the property owner or a majority of the property owners in number may petition the municipal council to have such land included within the abutting municipality and, within ten days thereafter, shall file copies of the petition with the board, the town board, the county board and the municipal council of any other municipality which borders the land to be annexed. Within 90 days thereafter from the date of service, the town board or the municipal council of such abutting municipality may submit written objections to the annexation to the board and the annexing municipality. Upon receipt of such objections, the board shall proceed to hold a hearing and issue its order in accordance with section 414.031, subdivisions 3, 4, and 5. If written objections are not submitted within the time specified hereunder and if the municipal council determines that property proposed for the annexation will be to the best interests of the municipality and of the territory affected is now or is about*

to become urban or suburban in character, it may by ordinance declare such land annexed to the municipality. If the petition is not signed by all the property owners of the land proposed to be annexed, the ordinance shall not be enacted until the municipal council has held a hearing on the proposed annexation after at least 30 days mailed notice to all property owners within the area to be annexed.

Sec. 19. Minnesota Statutes 1976, Section 414.033, Subdivision 6, is amended to read:

Subd. 6. Whenever a proceeding for annexation is initiated under this section and all or any part of the land is included in a proceeding for incorporation, consolidation or annexation which is another boundary adjustment proceeding pending before the board, no action thereon shall be taken by the municipality, unless otherwise provided by an order of the board, until final disposition has been made of the petition pending before the board. *Under this section the board will accept a waiver from all parties having a right to object, stating they have no objections to the proposed annexation and waiving the 90 day period before an annexation ordinance may be adopted.*

Sec. 20. Minnesota Statutes 1976, Section 414.033, Subdivision 7, is amended to read:

Subd. 7. Any annexation ordinance provided for in this section is final upon filing a copy of the ordinance with the board, the town clerk, the county auditor, and the secretary of state must be filed with the board, the township, the county auditor and the secretary of state and is final on the date the ordinance is approved by the board.

Sec. 21. Minnesota Statutes 1976, Section 414.033, is amended by adding a subdivision to read:

Subd. 8. *The board may issue an order adjusting the population of a municipality and town for all purposes until the next federal census upon receipt of a joint resolution requesting such action between the municipality and town.*

Sec. 22. Minnesota Statutes 1976, Chapter 414, is amended by adding a section to read:

[414.035] [DIFFERENTIAL TAXATION.] *Whenever a board order, under sections 414.031, 414.0325, 414.033, annexes part or all of a township to a municipality, the board may provide that the mill levy of the annexing municipality on the area annexed shall be increased in substantially equal proportions over not less than two nor more than six years to equality with the mill levy on the property already within the municipality. The appropriate period, if any, shall be based on the time reasonably required to effectively provide full municipal services to the annexed area.*

Sec. 23. Minnesota Statutes 1976, Section 414.041, is amended to read:

414.041 [CONSOLIDATION OF TWO OR MORE MUNICIPALITIES.] Subdivision 1. [INITIATING THE PROCEEDING.] This section provides the exclusive procedure for consolidating abutting municipalities in the state of Minnesota. Two or more municipalities may be the subject of a single proceeding provided that each municipality shares a common boundary with *abuts* at least one of the included municipalities. The proceeding shall be initiated by submitting to the *secretary executive director* a resolution of a municipality, a petition signed by ten percent or more of the resident voters of a municipality, according to the number of votes cast for mayor at the last municipal election or, where no mayor is elected at such election, five percent or more of the resident voters of the municipality who voted for governor at the last general election or the proceeding may be initiated by the board of its own motion.

The petition or resolution shall set forth the following information about each included municipality: name, population, description of boundaries, quantity of land within the boundaries, and existing public facilities and services. The petition or resolution shall also contain a statement explaining the reasons for requesting the consolidation and the names of all parties entitled to mailed notice under section 414.09. The party initiating the proceeding shall serve copies of the petition or resolution on all of the included municipalities.

Subd. 2. [BOARD'S HEARING AND NOTICE.] Upon receipt of a petition or resolution for consolidation or upon motion of the board made pursuant to subdivision 1, the *secretary executive director* shall designate a time and a place for a hearing in accordance with section 414.09.

Subd. 3. [BOARD'S ORDER.] If the board finds that consolidation will be for the best interests of the municipalities, it shall order the consolidation but no consolidation ordered shall be effective without resolutions of the governing bodies of the affecting municipalities approving such consolidation orders. As a guide in arriving at a determination, in arriving at its decision, the board shall consider the following factors:

(a) Present population, past population growth and projected population of the included municipalities;

(b) Quantity of land within the included municipalities; and natural terrain including general topography, major watersheds, soil conditions, and such natural features as rivers, lakes and major bluffs;

(c) Present pattern of physical development in the included municipalities including residential, industrial, commercial and institutional land uses;

(d) Comprehensive plans for development of the area including development as projected by the metropolitan council or state planning agency;

(e) Type and degree of control presently being exercised over

development in the included municipalities including zoning ordinances, subdivision regulations, and housing and building codes;

(f) Natural terrain of the area including general topography, major watersheds, soil conditions, and such natural features as rivers, lakes, and major bluffs;

(g) Present governmental services being provided to the area including water and sewer service, fire and police protection, street improvements and maintenance, and recreational facilities;

(h) Existing and potential problems of environmental pollution and the need for additional services to avoid or minimize these problems;

(i) Fiscal data of the included municipalities including assessed valuation trends, mill rate trends (state, county, and school district) and present bonded indebtedness;

(j) Relationship and effect of the proposed consolidation on adjacent communities and school districts within and adjacent to the municipalities proposed for consolidation;

(k) Analysis of whether services needed by each included municipality could better be provided by an adjacent but not included municipality;

(l) Availability of space within the included municipalities to accommodate growth;

(m) Plans and programs under consideration for providing needed governmental services to the proposed new municipality; and

(n) Degree of contiguity of the boundaries of the included municipalities.

(c) Degree of contiguity of the boundaries between the included municipalities;

(d) Analysis of whether present planning and physical development in the included municipalities indicates that the consolidation of these municipalities will benefit planning and land use patterns in the area; the present transportation network and potential transportation issues, including proposed highway development;

(e) Analysis of whether consolidation of the included municipalities is consistent with comprehensive plans for the area;

(f) Analysis of whether governmental services now available in the included municipalities can be more effectively or more economically provided by consolidation;

(g) Analysis of whether there are existing or potential environmental problems and whether municipal consolidation will help ameliorate such conditions;

(h) Analysis of tax and governmental aid issues involved in the consolidation of the included municipalities; and

(i) Analysis of the effect of consolidation on area school districts.

Based on these factors, the board shall order the consolidation if the board it finds that consolidation will be for the best interests of the municipalities ; it shall order the consolidation but no consolidation ordered shall be effective without resolutions of the governing bodies of the affecting municipalities approving such consolidation orders . As a guide in arriving at a determination, the board shall consider the following factors : In all cases, the board shall set forth the factors which are the basis for the decision.

(a) Present population, past population growth and projected population of the included municipalities;

(b) Quantity of land within the included municipalities;

(c) Present pattern of physical development in the included municipalities including residential, industrial, commercial and institutional land uses;

(d) Comprehensive plans for development of the area including development as projected by the metropolitan council or state planning agency;

(e) Type and degree of control presently being exercised over development in the included municipalities including zoning ordinance, subdivision regulations, and housing and building codes;

(f) Natural terrain of the area including general topography, major watersheds, soil conditions, and such natural features as rivers, lakes, and major bluffs;

(g) Present governmental services being provided to the area including water and sewer service, fire and police protection, street improvements and maintenance, and recreational facilities;

(h) Existing and potential problems of environmental pollution and the need for additional services to avoid or minimize these problems;

(i) Fiscal data of the included municipalities including assessed valuation trends, mill rate trends (state, county, and school district) and present bonded indebtedness;

(j) Relationship and effect of the proposed consolidation on adjacent communities and school districts within and adjacent to the municipalities proposed for consolidation;

(k) Analysis of whether services needed by each included municipality could better be provided by an adjacent but not included municipality;

(l) Availability of space within the included municipalities to accommodate growth;

(m) Plans and programs under consideration for providing needed governmental services to the proposed new municipality; and

(n) Degree of contiguity of the boundaries of the included municipalities.

The order shall provide for election of new municipal officers in accordance with section 414.09. If the most populous of the included municipalities is a statutory city, the new municipality shall be a statutory city and the plan of government shall be Optional Plan A, provided that an alternate plan may be adopted pursuant to ~~Minnesota Statutes 1967~~, Section 412.551, at any time. If the most populous of the included municipalities is a city, the new municipality shall be governed by its home rule charter or the statutory form under which it is governed except that any ward system for the election of councilmen shall be inoperable. The ordinances of all the included municipalities shall continue in effect within their former boundaries until repealed by the governing body of the new municipality.

Notwithstanding any other provision of law to the contrary, the board may in its order establish a ward system in the new municipality, in which event it shall establish not less than three nor more than seven wards, each of which shall elect one councilman. When more than two years have elapsed after consolidation, the governing body may, by a four-fifths vote, abolish the ward system.

The new municipality shall assume the name of the most populous municipality unless previous to the election another name is chosen by joint resolution of a majority of the included municipalities.

The number of license privileges existing in the included municipalities prior to consolidation and pursuant to state law shall not be diminished as a result of the consolidation.

If the consolidation is denied, no proceeding for the consolidation of the same municipalities may be initiated within two years from the date of the board's order unless authorized by the board.

Subd. 4. [ADOPTION BY COUNCILS OF MUNICIPALITIES.] Notwithstanding any other provision of law to the contrary, no consolidation order of the board involving existing municipalities shall become effective unless adopted by the council of each affected municipality by a majority vote and unless the consolidation order of the board is approved by the qualified voters of the affected municipalities at a general or special election set according to law. The form of the ballot shall be fixed by the board; and, if a majority of the votes cast on the question in each municipality are in favor of its adoption, the order of the board shall become effective as provided herein.

Subd. 4a. [DIFFERENTIAL TAXATION.] Where one municipality is receiving substantially fewer municipal services, the board may provide that the mill levy of such a municipality shall be increased in substantially equal proportions over a period of not more than five years to equality with the mill levy in the remainder of the new municipality, such period to be determined by the board on the basis of the period reasonably required effectively to provide substantially equal municipal services.

Subd. 5. [EFFECTIVE DATE.] The consolidation shall be effective upon the election and qualification of new municipal officers, or at such later date as set by the board in its order.

Sec. 24. Minnesota Statutes 1976, Section 414.06, is amended to read:

414.06 [DETACHMENT OF PROPERTY FROM A MUNICIPALITY.] Subdivision 1. [INITIATING THE PROCEEDING.] Property which is situated within a municipality and abutting the municipal boundary, ~~unplatted, and occupied and used primarily for agricultural purposes rural in character and not developed for urban residential, commercial, or industrial purposes~~ may be detached from the municipality according to the following procedure. The proceeding may be initiated by submitting to the board a resolution of the municipality to which the land is attached or by submitting to the board a petition of all of the property owners of the land to be detached if the area is less than 40 acres or of 75 percent of the property owners if over 40 acres. The petition or resolution shall set forth the boundaries and the area of the land to be detached, the number and character of the buildings, the resident population, and the municipal improvements, if any, in the area.

Subd. 2. [BOARD'S HEARING AND NOTICE.] If both a resolution of the municipality and a petition by *all* the property owners are submitted, no hearing is necessary. In any other case, upon receipt of a petition or resolution, the ~~secretary executive~~ director of the board shall designate a time and place for a hearing in accordance with section 414.09.

Subd. 3. [BOARD'S ORDER.] Upon completion of the hearing, the board may order the detachment if it finds that the requisite number of property owners have signed the petition if initiated by the property owners, that the property is ~~unplatted and used and occupied primarily for agricultural purposes rural in character and not developed for urban residential, commercial or industrial purposes~~, that the property is within the boundaries of the municipality and abuts a boundary, that the detachment would not unreasonably affect the symmetry of the detaching municipality, and that the land is not needed for reasonably anticipated future development. *The board may deny the detachment if it finds that the remainder of the municipality cannot continue to carry on the functions of government without undue hardship.* The board shall have authority to decrease the area of property to be detached and may include only a part of the proposed area ~~in its order to be detached~~. If the tract abuts more than one township, it shall become a part of each township, being divided by projecting through it the boundary line between the townships. The detached area may be relieved of the primary responsibility for existing indebtedness of the municipality and be required to assume the indebtedness of the township of which it becomes a part, in such proportion as the board shall deem just and equitable having in view the amount of taxes due and delinquent and the indebtedness of each township and the municipality affected, if any, and for what purpose the same was incurred, all in relation to the benefit inuring to the detached area as a result of the indebtedness and the last assessed value of the taxable property in each township and municipality.

Subd. 4. [EFFECTIVE DATE OF DETACHMENT.] The detachment shall be effective upon the issuance of the board's order, or at such later date, as provided by the board in its order.

Sec. 25. Minnesota Statutes 1976, Section 414.061, Subdivision 1, is amended to read:

414.061 [CONCURRENT DETACHMENT AND ANNEXATION OF INCORPORATED LAND.] Subdivision 1. [INITIATING THE PROCEEDING.] Property of one municipality which abuts another may be concurrently detached and annexed by the procedure set forth in this section. The proceeding shall be initiated by submitting to the ~~secretary~~ *executive director* resolutions of both municipalities describing the land and stating their desire to detach and annex the land.

Sec. 26. Minnesota Statutes 1976, Section 414.061, Subdivision 4, is amended to read:

Subd. 4. [BOARD INITIATION.] The board may initiate proceedings for the concurrent detachment and annexation of portions of one municipality completely surrounded by another municipality, or upon application of all of the property owners, provided, however, that in such cases the board shall conduct hearings and issue its order as in the case of annexations of unincorporated property under section 414.041, subdivisions 2, and 5.

Sec. 27. Minnesota Statutes 1976, Chapter 414, is amended by adding a section to read:

[414.063] [JOINT AGREEMENTS.] *After notice and hearing as provided in section 414.09, the board may include provisions of joint agreements between political subdivisions in its orders.*

Sec. 28. Minnesota Statutes 1976, Section 414.065, is amended to read:

414.065 [STATE LANDS, PROCEEDINGS.] In any case in which the state is the fee owner of land partly or wholly within any area proposed to be annexed, incorporated, or detached part of a boundary adjustment, the executive council of the state of Minnesota may petition for, or consent to, any action proceeding under this chapter, if the council deems such action to be in the best interests of the state.

Sec. 29. Minnesota Statutes 1976, Section 414.067, is amended to read:

414.067 [APPORTIONMENT OF ASSETS AND OBLIGATIONS.] Subdivision 1. [TOWNSHIP OR MUNICIPALITY DIVIDED.] ~~Upon incorporation, consolidation, annexation, or concurrent detachment and annexation under section 414.02, 414.021, 414.031, 414.032, 414.041 and 414.061, Whenever the board divides an existing governmental unit, the board shall may~~ apportion the property and obligations of any township or municipality divided by board order between the governmental unit adding territory and the governmental unit from which the territory was obtained. The apportionment shall be made in a just and equitable manner having in view the value of the existing

township or municipal property located in the area to be added, the assets, value, and location of all the taxable property in the existing township or municipality, the indebtedness, the taxes due and delinquent, other revenue accrued but not paid to the existing township or municipality and the ability of any remainder of the township or municipality to function as an effective governmental unit. The order shall not relieve any property from any tax liability for payment for any bonded obligation, but the taxable property in the new municipality may be made primarily liable thereon.

Subd. 2. [ENTIRE TOWNSHIP OR MUNICIPALITY.] When an entire township is annexed by an existing municipality, or an entire township is incorporated into a new municipality, or an entire township or a municipality is consolidated into a new municipality, all money, claims, or properties, including real estate owned, held, or possessed by the annexed, incorporated or consolidated township or municipality, and any proceeds or taxes levied by such town or municipality, collected or uncollected, shall become and be the property of the new or annexing municipality with full power and authority to use and dispose of the same for public purposes as the council or new annexing municipality may deem best, subject to the rights of creditors. Any bonded indebtedness of a town or former municipality annexed to an existing municipality or incorporated or consolidated into a new municipality shall be borne only by that property within the boundaries of the former town or municipality, provided, however, the units of government concerned may by resolution of their governing bodies agree that the new municipality shall assume the bonded indebtedness of the former units of government existing and outstanding at the time of annexation, incorporation or consolidation.

Subd. 3. [REVISION OF TAX RECORDS; REDISTRIBUTION OF LEVIES.] In an apportionment made under this section the board may order the county auditor to revise tax records and respread levies at any time prior to December 15 or order the county treasurer to redistribute taxes levied and receivable.

Sec. 30. Minnesota Statutes 1976, Section 414.07, is amended to read:

414.07 [APPEALS.] Subdivision 1. [ORDERS OF BOARD, TIME LIMITATION.] All orders of the board, whether in connection with annexation, consolidation, incorporation or detachment shall be issued within two years from the date of the first hearing thereon provided that the time may be extended for a fixed additional period upon consent of all parties of record. Failure to so order shall be deemed to be an order denying the matter before the board. An appeal may be taken from such failure to so order in the same manner as an appeal from an order as provided in subdivision 2.

Subd. 2. [GROUNDS FOR APPEAL.] Any person aggrieved by any incorporation, annexation, detachment, or annexation detachment order of the board may appeal to the district court upon the following grounds:

- (a) That the board had no jurisdiction to act;
- (b) That the board exceeded its jurisdiction;
- (c) That the order of the board is arbitrary, fraudulent, capricious or oppressive or in unreasonable disregard of the best interests of the territory affected;
- (d) That the order is based upon an erroneous theory of law.

The appeal shall be taken in the district court in the county in which the majority of the area affected is located. The appeal shall not stay the effect of the order. *All notices and other documents shall be served on both the executive director and the attorney general's assistant assigned to the board.*

If the court shall determine that the action of the board involved is unlawful or unreasonable or is not warranted by the evidence in case an issue of fact is involved, the court may vacate or suspend the action of the board involved, in whole or in part, as the case may require, and thereupon the matter shall be remanded to the board for further action in conformity with the decision of the court.

To render a review of a board order effectual, the aggrieved person shall file with the clerk of the district court of the county wherein the majority of the area is located, within 30 days of such order, an application for review together with the grounds upon which the review is sought.

An appeal lies from the district court to the supreme court in accordance with the provisions of the rules of civil appellate procedure.

Sec. 31. Minnesota Statutes 1976, Section 414.09, is amended to read:

414.09 [UNIFORM PROCEDURES OF BOARD.] Subdivision 1. [HEARINGS.] Proceedings initiated by the submission of a petition, resolution, or official request of a public agency, an initiating document or by the board of its own motion shall come on for hearing within 30 to 120 days from receipt of the document by the board or from the date of board action. In any proceeding before the board and upon the request of any party, the board shall meet physically rather than by means of electronic media. The place of the hearing shall be in the county where a majority of the affected territory is situated, and shall be established for the convenience of the parties. The secretary executive director shall mail notice of the hearing to the following parties: the township or municipality presently governing the affected territory; any township or municipality abutting the affected territory; the county where the affected territory is situated; and each planning agency which has jurisdiction over the affected area. Proceedings initiated by the board of its own motion shall be set for hearing on a day at least 30 days after such mailed notice. The secretary executive director shall cause notice of the hearing to be published for two successive weeks in a legal newspaper of general circulation in the affected area.

When the board exercises its authority to change the boundaries of the affected area so as to increase the quantity of the land, the hearing shall be recessed and reconvened upon two weeks published notice in a legal newspaper of general circulation in the affected area.

Subd. 2. [TRANSMITTAL OF BOARD'S ORDER.] The secretary executive director shall cause copies of the board's order to be mailed to all parties entitled to mailed notice of hearing under subdivision 1, *the secretary of state, the department of revenue, the state demographer, individual property owners if initiated in that manner,* and any other party of record. If the order changes the boundaries of an existing municipality, or creates a new municipality, the secretary shall transmit copies of the order, the document by which the proceeding was initiated, where applicable, the notice of hearing and the proof of service and publication thereof, to the secretary of state and the auditor of the county where the affected territory is situated, for filing as a public record.

Subd. 3. [ELECTIONS OF MUNICIPAL OFFICERS.] An order approving an incorporation or consolidation pursuant to sections 414.02, 414.021, or 414.041 *this chapter* shall set a date for this election of new municipal officers not less than 45 days nor more than 60 days after the issuance of such order. The board shall appoint an acting clerk for election purposes, at least three election judges who shall be residents of the new municipality, and shall designate polling places within the new municipality.

The acting clerk shall prepare the official election ballot. Affidavits of candidacy may be filed by any person eligible to hold municipal office not more than four weeks nor less than two weeks before the date designated by the board for the election. At least one week before the first day to file such affidavits the acting clerk shall publish a notice in a newspaper qualified as a medium of official publication and of general circulation within the new municipality stating the first and last dates on which such affidavits may be filed, the location of the clerk's office, the clerk's office hours, and the amount of the filing fee.

The acting clerk shall publish a notice of election in a newspaper qualified as a medium of official publication and of general circulation within the new municipality for two successive weeks immediately prior to the date designated by the board for the election. The election notice shall state the purpose, date, and polling places for the election, and shall state the time the polls shall be open, which time shall be at least five hours.

If the new municipality is a statutory city, the election shall be conducted in conformity with the requirements of the laws for conducting a statutory city election insofar as applicable. If the new municipality is a home rule charter city, the election shall be conducted in conformity with the charter and the laws for conducting city municipal elections insofar as applicable. Any person

eligible to vote at a township or municipal election within the area of the new municipality, is eligible to vote at such election.

Any excess in the expense of conducting the election over receipts from filing fees shall be a charge against the new municipality; any excess of receipts shall be deposited in the treasury of the new municipality.

Sec. 32. [REPEALER.] *Minnesota Statutes 1976, Sections 414.021; 414.032; 414.033, Subdivision 4; 414.034; and 414.068; are repealed.*

Sec. 33. [APPLICABILITY.] *The provisions of this act shall be applicable to all proceedings before the Minnesota municipal board initiated after the effective date of this act.*

Sec. 34. [EFFECTIVE DATE.] *This act is effective on the day following its final enactment."*

Amend the title as follows:

Strike lines 2 to 17 and insert:

"relating to local government; amending powers and duties of the Minnesota municipal board; regulating the incorporation, annexation, detachment, consolidation and boundary adjustments of certain local governmental units; amending Minnesota Statutes 1976, Sections 414.01, Subdivisions 1, 2, 5, 7a, 8, 12, 14, and 15; 414.011, Subdivision 5, and by adding subdivisions; 414.02; 414.031; 414.033, Subdivisions 1, 2, 3, 5, 6, 7, and by adding a subdivision; 414.041; 414.06; 414.061, Subdivisions 1 and 4; 414.065; 414.067; 414.07; 414.09; and Chapter 414, by adding sections; repealing Minnesota Statutes 1976, Sections 414.021; 414.032; 414.033, Subdivision 4; 414.034; and 414.068."

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

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

H. F. No. 1114: A bill for an act relating to public welfare; creating a rebuttable presumption that certain transfers of property are intended to make persons eligible for medical or maintenance assistance; amending Minnesota Statutes 1976, Chapter 256, by adding a section; repealing Minnesota Statutes 1976, Section 256B.17.

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

Page 1, line 14, strike "*three years*" and insert "*12 months*"

Page 1, line 16, strike "*256.12,*"

Page 1, line 18, strike "*this*" and insert "*maintenance or medical*"

Page 1, line 21, strike "*or to have*"

Page 1, strike lines 22 and 23 except the period.

Page 2, line 2, strike "medical" and insert "maintenance"

Page 2, line 2, strike "maintenance" and insert "medical"

Page 2, line 3, after the period insert "Nothing herein shall be construed to create a presumption in any criminal prosecution."

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

Mr. McCutcheon from the Committee on Taxes and Tax Laws, to which was referred

S. F. No. 1066: A bill for an act relating to taxation: providing for distribution of property taxes levied on certain electric utility facilities among certain governmental units.

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

Strike everything after the enacting clause and insert:

"Section 1. [DEFINITIONS.] Subdivision 1. For the purposes of sections 1 and 2 the following terms shall have the meanings given them in this section.

Subd. 2. "Electric utility" means a person, corporation or other legal entity operating equipment or facilities in this state for furnishing electric service to the public at retail or to its members.

Subd. 3. "Major electric generating facility" means a facility designed for operation at a capacity of 200 megawatts or more, capable of producing electrical energy for the purpose of transmission and distribution to a consumer.

Subd. 4. "Taxing district" means a county, city, town, school district, special district or other governmental entity permitted to levy ad valorem taxes.

Subd. 5. "Taxes" shall include payments made to taxing authorities in lieu of taxes by municipal power agencies pursuant to Minnesota Statutes, Section 453.54, Subdivision 20.

Sec. 2. [TAX LEVIED BY LOCAL TAXING DISTRICTS ON MAJOR ELECTRIC GENERATING FACILITIES.] A taxing district having a major electric generating facility within its boundaries shall spread its levy on 100 percent of the assessed value of the land and structures used by the electric utility on the site. If the assessed value of the taxable attached machinery at the facility does not increase from its assessed value for the 1977 assessment year in subsequent years, the taxing district shall also spread its levy against 100 percent of the current taxable value of the attached machinery. If the assessed value of the taxable attached machinery at the facility does increase from the assessed value of the taxable attached machinery for the 1977 assessment year in subsequent years, the taxing district shall also spread its

levy on 100 percent of the assessed value of the taxable attached machinery for the 1977 assessment year and 20 percent of the subsequent net increase in the assessed value of the taxable attached machinery at that facility. The remainder of the subsequent net increase in the assessed value of the taxable attached machinery shall be exempt from ad valorem taxation.

Sec. 3. [EFFECTIVE DATE.] Sections 1 and 2 are effective for taxes levied in 1978; payable in 1979 and subsequent years."

Further, amend the title as follows:

Strike lines 2 to 5 and insert

"relating to taxation; exempting a portion of the increase in assessed value of major electric generating facilities from the property tax."

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

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

S. F. No. 1622: A bill for an act relating to game and fish; requiring a trout stamp; providing for disposition of the proceeds; appropriating funds; amending Minnesota Statutes 1976, Section 98.46, by adding a subdivision.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes, 1977 Supplement, Section 98.46, Subdivision 2a, is amended to read:

Subd. 2a. The commissioner of natural resources shall issue Minnesota sportsman licenses by March 1, 1978. The licenses shall be issued to residents only. The fee for licenses shall be \$9 if the angling license is for one person and \$12 if the angling license is a combination husband and wife license. These fees do not include the surcharge authorized pursuant to section 97.482, *the state trout stamp required by section 2 of this act*, nor the state waterfowl stamp required by section 97.4841.

The license shall authorize the licensee to:

- (1) Take small game;
- (2) Take fish by angling.

The game and fish subcommittee of the house of representatives and the fish and wildlife subcommittee of the senate shall study the feasibility of other combinations for sportsman's licenses prior to January 1, 1978.

Sec. 2. Minnesota Statutes 1976, Section 98.46, is amended by adding a subdivision to read:

Subd. 2b. No person, resident or nonresident, required to have a fishing license, shall fish on waters designated as "trout waters" by the commissioner without having a special trout fishing stamp in his possession. Each stamp shall be validated by the signature of the licensee written across its face. The commissioner shall determine the form of the stamp and shall furnish and distribute stamps to county auditors for sale by them and their authorized subagents as prescribed by order of the commissioner. The commissioner shall encourage the purchase of stamps by persons who do not fish trout who are interested in trout stream improvement. People who are fishing on their own property shall not be required to possess a Minnesota trout fishing stamp. Trout fishing stamps shall be issued annually by the commissioner upon payment of a fee of \$5 and shall be valid from March 1 through the last day of the following February. The proceeds from the sale of trout fishing stamps shall be deposited in the state treasury and credited to the game and fish fund and are appropriated to the commissioner for use in trout hatchery operations and maintenance, stocking and restocking the designated "trout waters", acquisition of access to trout streams and in designated "trout waters" improvement.

Sec. 3. Minnesota Statutes, 1977 Supplement, Section 98.50, Subdivision 5, is amended to read:

Subd. 5. Any resident desiring to sell the licenses referred to in subdivision 1 may either purchase for cash or obtain on consignment license blanks from a county auditor in groups of not less than five non-resident, and ten resident license blanks. In addition to the basic license fee, he shall collect a fee for issuing each license in the amount of 75 cents for the license to take deer and for the sportsman license authorized in section 98.46, subdivision 2a, and 50 cents for all other licenses. The state migratory waterfowl stamp required by section 97.4841, and the state trout stamp required by section 2 of this act, shall be considered to be a "license" within the meaning of this subdivision except when such a state migratory waterfowl stamp and a small game license, or a state trout stamp and an individual angling license, or two state trout stamps and a combination husband and wife angling license are issued in the same transaction in which case the stamp shall be considered a part of the ~~small~~ game license and only one issuing fee shall be collected. In selling such licenses, he shall be deemed an agent of the county auditor and the commissioner, and he shall observe all rules and regulations promulgated by the commissioner for the accounting for and handling of such licenses.

The county auditor shall promptly deposit all moneys received from the sale of licenses with the county treasurer, and shall promptly transmit such reports as may be required by the commissioner, together with his warrant on the county treasurer for 100 percent of the surcharge imposed by section 97.482 plus 96 percent of the price to the licensee, exclusively of said surcharge and the issuing fee, for each license sold or consigned by him and subsequently sold to a licensee during the accounting period. The county auditor shall retain as his commission

four percent of all license fees, excluding issuing fees for licenses consigned to subagents. In addition, for licenses sold for cash directly to the licensee, the auditor shall collect the same issuing fee as a subagent. Unsold license blanks in the hands of any agent shall be redeemed by the commissioner if presented for redemption within the time prescribed by the commissioner therefor. Any license blanks not presented for redemption within the period prescribed shall be conclusively presumed to have been sold, and the agent possessing the same or to whom they are charged shall be accountable therefor. The commissioner shall collect the same issuing fee as a subagent for licenses sold directly through a license distribution center operated by the department of natural resources. The issuing fees so collected by the commissioner shall be credited to the game and fish fund.

Sec. 4. There is appropriated to the commissioner of natural resources from the game and fish fund the sum of \$1,250,000 for the period from March 1, 1979 to June 30, 1980 for use in trout hatchery operations and maintenance, stocking and restocking the designated "trout waters", and in designated "trout waters" improvement.

Sec. 5. This act is effective March 1, 1979."

Amend the title as follows:

Line 5, after "subdivision" insert "; Minnesota Statutes, 1977 Supplement, Sections 98.46, Subdivision 2a; and 98.50, Subdivision 5"

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

Mr. Tennessen from the Committee on Commerce to which was referred

S. F. No. 370: A bill for an act relating to financial institutions; establishing procedures for issuance of orders and removal of officers or directors in the event of violations of law or unsafe practices; providing penalties.

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

Page 1, line 9, strike "11" and insert "8"

Page 1, line 14, after "director," insert "trustee,"

Page 1, line 18, strike "8" and insert "5"

Page 2, line 1, after "bank," insert "savings bank, savings association,"

Page 2, line 4, strike "prorate company" and insert "prorating agency"

Page 3, line 9, after "directors," insert "trustees,"

Page 3, strike lines 21 to 32

Page 4, strike lines 1 to 19

Page 4, line 20, after "DIRECTORS" insert ", TRUSTEES"

Page 4, lines 23 and 29, after "director" insert ", trustee"

Page 5, lines 3, 7, and 12, after "director" insert ", trustee"

Page 5, line 22, after "director," insert "trustee,"

Page 5, after line 25, insert:

"Subd. 3. Whenever any director, trustee or officer of an institution, or other person participating in the conduct of the affairs of an institution, is convicted in any state or federal court of a felony involving dishonesty or breach of trust the commissioner may serve upon the director, trustee, officer, or other person a written notice of his intention to remove him from office or to prohibit his further participation in any manner in the conduct of the affairs of the institution."

Page 5, line 26, after "director," insert "trustee,"

Page 6, lines 3, 4, and 16, after "director," insert "trustee,"

Page 6, strike lines 22 to 32

Page 7, strike lines 1 to 32

Page 8, strike lines 1 to 32

Page 9, strike lines 1 to 5

Page 9, lines 6 and 7, after "DIRECTORS" insert "OR TRUSTEES"

Page 9, lines 8, 9, 10, and 13, after "directors" insert "or trustees"

Page 9, line 9, strike "11" and insert "8"

Page 9, lines 14, 15, and 17, after "directors" insert "or trustees"

Page 9, line 22, strike "11" and insert "8"

Page 10, lines 4 and 22, strike "11" and insert "8"

Page 10, line 25, after "director" insert ", trustee" in both cases

Page 10, line 28, after "director," insert "trustee,"

Page 10, line 29, strike "sections 4, 5, or 6" and insert "section 3"

Page 11, line 3, after "director" insert "or trustee"

Page 11, lines 4 and 15, after "director" insert ", trustee"

Page 11, line 8, strike "INFORMING GOVERNOR;"

Page 11, line 10, strike "11" and insert "8"

Page 11, line 11, after "mail" insert "to the last known address of the person or principal Minnesota office of the institution to whom service is directed"

Page 11, line 17, strike "11" and insert "8"

Page 11, after line 18, insert:

"Sec. 9. This act shall be effective the day following final enactment."

Renumber the sections and subdivisions

Amend the title as follows:

Page 1, line 4, after "officers" insert ", trustees"

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

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred the following appointment as reported in the Journal for January 17, 1978:

**WATER PLANNING BOARD
CHAIRMAN**

Thomas J. Kalitowski

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

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Olson from the Committee on General Legislation and Veterans Affairs, to which were referred the following appointments as reported in the Journal for May 9, 1977:

BOARD OF THE ARTS

James Glazman

Philip Von Blon

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

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Olson from the Committee on General Legislation and Veterans Affairs, to which were referred the following appointments as reported in the Journal for May 17, 1977:

BOARD OF THE ARTS

Luther Jones

Ron Libertus

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

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Coleman from the Subcommittee on Bill Scheduling, to which were referred

S. F. Nos. 1607, 861, 1656, 1609, 1610, 1105, 1425, 1510, 1589 and 744 makes the following report:

That S. F. Nos. 1607, 861, 1656, 1609, 1610, 1425, 1105 and 744 be placed on the General Orders Calendar in the order indicated.

That at the request of the chief author S. F. No. 1589 be returned to the Committee on Local Government.

That S. F. No. 1510 is being retained by the Subcommittee pending further action.

That there were no other bills before the Subcommittee on which floor action was requested. Report adopted.

SECOND READING OF SENATE BILLS

S. F. Nos. 910, 1066 and 370 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. No. 1114 was read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS

Mr. Hanson moved that the name of Mr. Lessard be added as co-author to S. F. No. 1425. The motion prevailed.

Mr. Moe moved that the name of Mr. Wegener be added as co-author to S. F. No. 1663. The motion prevailed.

Mr. Kleinbaum moved that the names of Messrs. Schrom and Dunn be added as co-authors to S. F. No. 1722. The motion prevailed.

Mr. Moe moved that the name of Mr. Johnson be added as co-author to S. F. No. 1727. The motion prevailed.

Mr. Chenoweth moved that the name of Mr. Perpich be added as co-author to S. F. No. 1765. The motion prevailed.

Mr. Menning moved that the name of Mr. Sikorski be added as co-author to S. F. No. 1746. The motion prevailed.

Mr. Keefe, S. moved that the name of Mr. Schaaf be added as co-author to S. F. No. 1630. The motion prevailed.

Mr. Frederick moved that his name be stricken as co-author to S. F. No. 304. The motion prevailed.

Mr. Pillsbury moved that his name be stricken as co-author to S. F. No. 304. The motion prevailed.

Mr. Stokowski, for Mr. Gearty, moved that the report from the Committee on Elections, reported January 26, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Stokowski moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Stokowski moved that in accordance with the report from the Committee on Elections, reported January 26, 1978, the Senate, having given its advice, do now consent to and confirm the appointment of:

ETHICAL PRACTICES BOARD

Mary Jo Richardson, 2085 Palace Avenue, St. Paul, Ramsey County, effective July 1, 1977, for a term expiring January 1, 1979.

The motion prevailed. So the appointment was confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Chenoweth moved that the report from the Committee on Governmental Operations, reported January 26, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Chenoweth moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Chenoweth moved that in accordance with the report from the Committee on Governmental Operations, reported January 26, 1978, the Senate, having given its advice, do now consent to and confirm the appointment of:

METROPOLITAN COUNCIL

Patrick W. Colbert, Jr., 10325 Nicollet Avenue South, Bloomington, Hennepin County, effective September 26, 1977, for a term expiring the first Monday in January, 1979.

The motion prevailed. So the appointment was confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Chenoweth moved that the report from the Committee on Governmental Operations, reported January 26, 1978, per-

taining to appointments, be taken from the table. The motion prevailed.

Mr. Chenoweth moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Chenoweth moved that in accordance with the report from the Committee on Governmental Operations, reported January 26, 1978, the Senate, having given its advice, do now consent to and confirm the appointments of:

STATE DESIGNER SELECTION BOARD

Mark Anderson, 10320 South Shore Drive, Plymouth, Hennepin County, effective January 3, 1977, for a term expiring the first Monday in January, 1980.

Cecil Tammen, 4234 Sylvia Lane North, Shoreview, Ramsey County, effective January 3, 1977, for a term expiring the first Monday in January, 1979.

The motion prevailed. So the appointments were confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Chenoweth moved that the report from the Committee on Governmental Operations, reported January 26, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Chenoweth moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Chenoweth moved that in accordance with the report from the Committee on Governmental Operations, reported January 26, 1978, the Senate having given its advice, do now consent to and confirm the appointment of:

STATE DESIGNER SELECTION BOARD

David R. Conkey, 4360 Brookside Court, #205, Edina, Hennepin County, effective January 3, 1978, for a term expiring the first Monday in January, 1981.

The motion prevailed. So the appointment was confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Chenoweth moved that the report from the Committee on Governmental Operations, reported January 26, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Chenoweth moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Chenoweth moved that in accordance with the report from the Committee on Governmental Operations, reported January 26, 1978, the Senate, having given its advice, do now consent to and confirm the appointment of:

STATE DESIGNER SELECTION BOARD

Karal Marling, 1920 South 1st Street, Minneapolis, Hennepin County, effective January 3, 1978, for a term expiring the first Monday in January, 1982.

The motion prevailed. So the appointment was confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Chenoweth moved that the report from the Committee on Governmental Operations, reported January 26, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Chenoweth moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Chenoweth moved that in accordance with the report from the Committee on Governmental Operations, reported January 26, 1978, the Senate, having given its advice, do now consent to and confirm the appointment of:

STATE DESIGNER SELECTION BOARD

Lilly Merkel, P.O. Box 301, Red Wing, Goodhue County, effective April 23, 1977, for a term expiring the first Monday in January, 1979.

The motion prevailed. So the appointment was confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Chenoweth moved that the report from the Committee on Governmental Operations, reported January 26, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Chenoweth moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Chenoweth moved that in accordance with the report from the Committee on Governmental Operations, reported January 26, 1978, the Senate, having given its advice, do now consent to and confirm the appointments of:

MINNESOTA-WISCONSIN BOUNDARY AREA COMMISSION

Dr. John Borchert, 23239 St. Croix Trail, Scandia, Washington County, effective July 1, 1977, for a term expiring July 1, 1981.

Howard Munson, 502 Westdale, Winona, Winona County, effective April 15, 1977, for a term expiring July 1, 1977.

Howard Munson, 502 Westdale, Winona, Winona County, effective July 1, 1977, for a term expiring July 1, 1981.

Robert Burns, 2501 Hudson Road, P. O. 33427, St. Paul, Ramsey County, effective July 1, 1977, for a term expiring July 1, 1981.

Robert L. Nybo, Jr., 328 Main Street, Red Wing, Goodhue County, effective July 1, 1977, for a term expiring July 1, 1981.

The motion prevailed. So the appointments were confirmed.

THIRD READING OF SENATE BILLS

S. F. No. 1617: A bill for an act relating to evidence; eliminating the presumption of due care in negligence actions; repealing Minnesota Statutes 1976, Section 602.04.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Engler	Knaak	Peterson	Spear
Ashbach	Fredrick	Knutson	Pillsbury	Stokowski
Bang	Gearty	Laufenburger	Purfeerst	Strand
Benedict	Hanson	Lessard	Renneke	Stumpf
Borden	Hughes	Luther	Schaaf	Tennessen
Chenoweth	Humphney	McCutcheon	Schmitz	Ueland, A.
Chmielewski	Johnson	Merriam	Schrom	Ulland, J.
Coleman	Keefe, J.	Nelson	Setzepfandt	Vega
Davies	Keefe, S.	Nichols	Sieloff	Wegener
Dieterich	Kirchner	Ogdahl	Silens	Willet
Dunn	Kleinbaum	Penny	Solon	

So the bill passed and its title was agreed to.

S. F. No. 1612: A bill for an act relating to trusts; powers of trustees; permitting investment of trust assets in certain life insurance contracts; amending Minnesota Statutes 1976, Section 501.66, Subdivision 6.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 52 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knaak	Pillsbury	Strand
Ashbach	Frederick	Knutson	Purfeerst	Stumpf
Bang	Gearty	Laufenburger	Renneke	Tennessen
Benedict	Hanson	Lessard	Schmitz	Ueland, A.
Borden	Hughes	Luther	Schrom	Ulland, J.
Chenoweth	Humphrey	McCutcheon	Setzepfandt	Vega
Chmielewski	Johnson	Merriam	Sieloff	Wegener
Coleman	Keefe, J.	Nelson	Sillers	Willet
Davies	Keefe, S.	Nichols	Solon	
Dieterich	Kirchner	Ogdahl	Spear	
Dunn	Kleinbaum	Penny	Stokowski	

Mr. Peterson voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 1613: A bill for an act relating to courts; judges; removal due to mental or physical incapacity; amending Minnesota Statutes 1976, Section 490.16, Subdivision 5; repealing Minnesota Statutes 1976, Sections 490.04; 490.05; 490.06; 490.07; 490.08; and 490.09.

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 53 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knaak	Peterson	Stokowski
Ashbach	Frederick	Knutson	Pillsbury	Strand
Bang	Gearty	Laufenburger	Purfeerst	Stumpf
Benedict	Hanson	Lessard	Renneke	Tennessen
Borden	Hughes	Luther	Schmitz	Ueland, A.
Chenoweth	Humphrey	McCutcheon	Schrom	Ulland, J.
Chmielewski	Johnson	Merriam	Setzepfandt	Vega
Coleman	Keefe, J.	Nelson	Sieloff	Wegener
Davies	Keefe, S.	Nichols	Sillers	Willet
Dieterich	Kirchner	Ogdahl	Solon	
Dunn	Kleinbaum	Penny	Spear	

So the bill passed and its title was agreed to.

S. F. No. 1614: A bill for an act relating to courts; board on judicial standards; providing for appointment of an executive secretary by the board; amending Minnesota Statutes, 1977 Supplement, Section 490.15, 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 51 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Borden	Davies	Frederick	Humphrey
Ashbach	Chenoweth	Dieterich	Gearty	Johnson
Bang	Chmielewski	Dunn	Hanson	Keefe, J.
Benedict	Coleman	Engler	Hughes	Keefe, S.

Kirchner	McCutcheon	Purfeerst	Spear	Vega
Kleinbaum	Nelson	Renneke	Stokowski	Wegener
Knaak	Nichols	Schmitz	Strand	Willet
Knutson	Ogdahl	Setzepfandt	Stumpf	
Laufenburger	Penny	Sieloff	Tennessee	
Lessard	Peterson	Sillers	Ueland, A.	
Luther	Pillsbury	Solon	Ulland, J.	

Messrs. Merriam and Schrom voted in the negative.

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 10:00 o'clock a.m., Thursday, February 2, 1978. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SIXTY-EIGHTH DAY

St. Paul, Minnesota, Thursday, February 2, 1978

The Senate met at 10:00 o'clock a.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. James Bjorge.

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

Ashbach	Frederick	Knoll	Olhoff	Sillers
Bang	Gearty	Knutson	Olson	Solon
Benedict	Gunderson	Lautenburger	Penny	Spear
Bernhagen	Hanson	Lessard	Peterson	Stokowski
Borden	Hughes	Lewis	Pillsbury	Strand
Brataas	Humphrey	Luther	Purfeerst	Stumpf
Chenoweth	Jensen	McCutcheon	Renneke	Ueland, A.
Chmielewski	Johnson	Menning	Schaaf	Ulland, J.
Coleman	Keefe, J.	Merriam	Schmitz	Vega
Davies	Keefe, S.	Moe	Schrom	Wegener
Dieterich	Kirchner	Nelson	Setzepfandt	Willet
Dunn	Kleinbaum	Nichols	Sieloff	
Engler	Knaak	Ogdahl	Sikorski	

The President declared a quorum present.

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

MEMBERS EXCUSED

Messrs. Anderson, Perpich, Tennessen and Mrs. Staples were excused from the Session of today.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received and referred to the committees indicated:

January 9, 1978

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

The following appointment to the Minnesota Housing Finance Agency is hereby respectfully submitted to the Senate for confirmation as required by law:

Mark Kaplan, 2824 Oakland Avenue, Minneapolis, Hennepin County, has been appointed by me, effective January 1, 1978, for a term expiring the first Monday in January, 1982.

Referred to the Committee on Energy and Housing.

January 11, 1978

The following appointment to the Council on Quality Education is hereby respectfully submitted to the Senate for confirmation as required by law:

Jan Storms, Route #2, Box 135A, Chaska, Carver County, has been appointed by me, effective January 3, 1978, for a term expiring the first Monday in January, 1980.

Referred to the Committee on Education.

January 9, 1978

The following appointment to the State Board of Education is hereby respectfully submitted to the Senate for confirmation as required by law:

Louis R. Smerling, 2552 West Lake of the Isles Blvd., Minneapolis, Hennepin County, has been appointed by me, effective January 1, 1978, for a term expiring the first Monday in January, 1981.

Referred to the Committee on Education.

Sincerely,
Rudy Perpich, Governor

January 30, 1978

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

I have the honor to inform you that the following enrolled Act of the 1978 Session of the State Legislature has been received from the Office of the Governor and is deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S. F. No.	H. F. No.	Session Laws Chapter No.	Date Approved 1978	Date Filed 1978
	1500	456	January 27	January 27

Sincerely,

Joan Anderson Growe,
Secretary of State

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Merriam and Strand introduced—

S. F. No. 1841: A bill for an act relating to education; allowing school boards to offer transportation on school buses for hire; amending Minnesota Statutes 1976, Section 123.39, by adding a subdivision.

Referred to the Committee on Education.

Messrs. Moe, Coleman and Ueland, A. introduced—

S. F. No. 1842: A bill for an act relating to the Minnesota historical society; providing for a liaison position; implementing the administration of a state humanities program; updating statutory provisions; amending Minnesota Statutes 1976, Sections 138.081, Subdivision 2, and by adding a subdivision; 138.17, Subdivision 1; 138.35, Subdivision 1; repealing Minnesota Statutes 1976, Sections 138.162 and 138.18.

Referred to the Committee on General Legislation and Veterans Affairs.

Messrs. Sieloff and Engler introduced—

S. F. No. 1843: A bill for an act relating to taxation; income tax; changing definition of gross income; subtracting certain capital gains realized in divorce settlement; amending Minnesota Statutes 1976, Section 290.14; and Minnesota Statutes, 1977 Supplement, Section 290.01, Subdivision 20.

Referred to the Committee on Taxes and Tax Laws.

Mr. Sieloff, Mrs. Knaak and Mr. Engler introduced—

S. F. No. 1844: A bill for an act relating to taxation; inheritance tax; changing provisions for commissioner's certification of satisfaction of tax lien on affidavits or instruments of conveyance; amending Minnesota Statutes 1976, Section 291.14, Subdivisions 1a and 2; and by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Dieterich and McCutcheon introduced—

S. F. No. 1845: A bill for an act relating to courts; referee positions; providing for retention of referee positions and authorizing additional judges for certain courts; amending Minnesota Statutes, 1977 Supplement, Section 484.70.

Referred to the Committee on Judiciary.

Messrs. Kleinbaum, Bang and Solon introduced—

S. F. No. 1846: A bill for an act relating to rates of interest on money; providing interest rates for loans secured by savings accounts; amending Minnesota Statutes 1976, Chapter 334, by adding a section.

Referred to the Committee on Commerce.

Messrs. Merriam; Tennessen; Keefe, J.; Davies and Nelson introduced—

S. F. No. 1847: A bill for an act relating to education; teachers; requiring expungement of certain material from a teacher's file; amending Minnesota Statutes 1976, Section 125.12, Subdivision 6.

Referred to the Committee on Judiciary.

Messrs. Laufenburger, Solon, Stokowski, Ashbach and Kleinbaum introduced—

S. F. No. 1848: A bill for an act relating to labor; providing an exception of certain employees from the minimum wage requirement; amending Minnesota Statutes 1976, Section 177.23, Subdivision 7.

Referred to the Committee on Employment.

Mr. Humphrey introduced—

S. F. No. 1849: A bill for an act relating to education; adopting the Midwestern Education Compact; implementing the operation of such compact.

Referred to the Committee on Education.

Mr. Dieterich, Mrs. Knaak, Messrs. Kleinbaum and Ashbach introduced—

S. F. No. 1850: A bill for an act relating to intoxicating liquor; items offered for sale in exclusive liquor stores; amending Minnesota Statutes 1976, Section 340.07, Subdivision 13.

Referred to the Committee on Commerce.

Mr. Chmielewski introduced—

S. F. No. 1851: A bill for an act relating to snowmobiles; increasing the registration fee; amending Minnesota Statutes 1976, Section 84.82, Subdivision 3.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Purfeerst, Renneke and Engler introduced—

S. F. No. 1852: A bill for an act relating to appropriations; appropriating funds for the replacement of King's Mill Dam.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Stumpf introduced—

S. F. No. 1853: A bill for an act relating to education; common school districts; making laws applicable to independent school districts apply to common school districts except in certain circumstances; repealing duplicative material; amending Minnesota Statutes 1976, Sections 123.12, Subdivision 2; 123.21; repealing Minnesota Statutes 1976, Sections 123.12, Subdivisions 3, 4, 5, 6, 7, 8, 10, 11, 12, 13 and 15; 123.13, Subdivisions 1, 3, 4, 5, 6 and 7; 123.14; 123.15, Subdivisions 4, 5, 6, 7, 8, 9 and 10; 123.16; 123.17; 123.18; 123.19; and 123.20.

Referred to the Committee on Education.

Messrs. Wegener, Setzepfandt, Renneke and Merriam introduced—

S. F. No. 1854: A bill for an act relating to education; eliminating the mandatory requirement for a performance bond on contracts for the transportation of school children; amending Minnesota Statutes 1976, Section 123.37, Subdivision 1b.

Referred to the Committee on Education.

Messrs. Wegener, Setzepfandt and Renneke introduced—

S. F. No. 1855: A bill for an act relating to education; eliminating the requirement that the commissioner of education approve contracts for the transportation of children to and from school; eliminating aid reductions for disapproved transportation contracts; amending Minnesota Statutes 1976, Sections 123.37, Subdivisions 3 and 4; and 124.15, Subdivisions 2 and 6.

Referred to the Committee on Education.

Mr. Schmitz introduced—

S. F. No. 1856: A bill for an act relating to energy; concerning the state building code; modifying the effective date of the extension of the building code to municipalities; amending Minnesota Statutes, 1977 Supplement, Section 16.851, Subdivision 1; and Laws 1977, Chapter 381, Section 27.

Referred to the Committee on Energy and Housing.

Messrs. Kleinbaum, Laufenburger and Dunn introduced—

S. F. No. 1857: A bill for an act relating to banking; permitting

certain detached facilities; amending Minnesota Statutes, 1977 Supplement, Section 47.55.

Referred to the Committee on Commerce.

Messrs. Kleinbaum, Bang and Schrom introduced—

S. F. No. 1858: A bill for an act relating to taxation; income tax; providing additional credits for blind dependents; amending Minnesota Statutes, 1977 Supplement, Section 290.06, Subdivision 3c.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Kleinbaum and Schrom introduced—

S. F. No. 1859: A bill for an act relating to the St. Cloud metropolitan transit commission; providing paratransit services authority; permitting contracts for certain services; amending Laws 1969, Chapter 1134, Sections 1, Subdivision 5; and 3, by adding a subdivision.

Referred to the Committee on Transportation.

Mr. Johnson introduced—

S. F. No. 1860: A bill for an act relating to game and fish; size limits upon certain species of fish; amending Minnesota Statutes 1976, Section 101.42, Subdivision 1.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Johnson, Solon, Davies, Borden and Dieterich introduced—

S. F. No. 1861: A bill for an act relating to credit life and accident and health insurance; requiring notice of right to cancel and receive refund upon prepayment of indebtedness; amending Minnesota Statutes, 1977 Supplement, Section 62B.05.

Referred to the Committee on Commerce.

Messrs. Hanson, Sikorski, Sieloff, Davies and Tennessen introduced—

S. F. No. 1862: A bill for an act relating to courts; permitting personal jurisdiction over non-residents for causes of action relating to tortious acts; revising the provision to accord with federal constitutional requirements; amending Minnesota Statutes 1976, Section 543.19, Subdivision 1.

Referred to the Committee on Judiciary.

Messrs. Hughes, Coleman, Stumpf, Ashbach and McCutcheon introduced—

S. F. No. 1863: A bill for an act relating to Ramsey county;

authorizing the county to issue general obligation bonds for the costs of construction of a county nursing home; amending Laws 1974, Chapter 435, by adding a section.

Referred to the Committee on Local Government.

Messrs. Chenoweth, McCutcheon, Coleman, Vega and Ulland, J. introduced—

S. F. No. 1864: A bill for an act relating to state employees; improving testing procedures; tightening provisions relating to provisional appointments; providing for a pilot reliability-based band width certification program; appropriating money; amending Minnesota Statutes 1976, Sections 43.13, by adding a subdivision; and 43.20, Subdivision 2.

Referred to the Committee on Governmental Operations.

Messrs. Spear; Lewis; Coleman; Keefe, S. and Luther introduced—

S. F. No. 1865: A bill for an act relating to the state board of investment; prohibiting certain investments; amending Minnesota Statutes 1976, Sections 11.13 and 11.16, Subdivision 13.

Referred to the Committee on Governmental Operations.

Messrs. Spear, Tennesen and Coleman introduced—

S. F. No. 1866: A bill for an act relating to intoxicating liquor; removing limitations on number of on-sale licenses issued; prohibiting transfer of licenses; amending Minnesota Statutes 1976, Sections 340.11, Subdivisions 10, 11, 11b and 20; 340.13, Subdivision 9; 340.353, Subdivision 5; repealing Minnesota Statutes 1976, Section 340.11, Subdivisions 5a, 7a and 8; and Minnesota Statutes, 1977 Supplement, Section 340.11, Subdivision 18.

Referred to the Committee on Commerce.

Mr. Sieloff, Mrs. Knaak, Mr. Engler and Mrs. Brataas introduced—

S. F. No. 1867: A bill for an act relating to taxation; unpaid taxes; lowering certain interest rates payable to the commissioner of revenue; amending Minnesota Statutes 1976, Section 270.75.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Sieloff, Engler, Mmes. Brataas and Knaak introduced—

S. F. No. 1868: A bill for an act relating to taxation; inheritance and gift taxes; lowering certain penalties for failure to pay taxes on time; amending Minnesota Statutes 1976, Sections 291.131, Subdivisions 1 and 2; and 292.111, Subdivisions 1 and 2.

Referred to the Committee on Taxes and Tax Laws.

Mr. Sieloff, Mmes. Knaak, Brataas and Mr. Engler introduced—

S. F. No. 1869: A bill for an act relating to taxation; income tax; exempting public pensions; amending Minnesota Statutes, 1977 Supplement, Section 290.08, Subdivision 6.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Nichols and Strand introduced—

S. F. No. 1870: A bill for an act relating to public utilities; authorizing a statewide toll-free telephone line for citizen calls regarding telephone service.

Referred to the Committee on Governmental Operations.

Messrs. Dieterich, Merriam and Davies introduced—

S. F. No. 1871: A bill for an act relating to landlords and tenants; requiring extended eviction notices for long term residential tenants; limiting an owner's right to increase rent after giving a tenant notice to quit; amending Minnesota Statutes 1976, Section 504.06.

Referred to the Committee on Judiciary.

Messrs. Lewis, Vega and Kirchner introduced—

S. F. No. 1872: A bill for an act relating to public health; prescribing fees for diagnostic laboratory services provided by the department of health; authorizing the commissioner of health to enter into contractual agreements for the provision of environmental or diagnostic laboratory services.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Solon introduced—

S. F. No. 1873: A bill for an act relating to reporting requirements for products liability claims; making various clarifications and technical changes; providing penalties for failure to comply; extending the expiration date; amending Laws 1977, Chapter 316, Section 2.

Referred to the Committee on Commerce.

Messrs. Merriam, Schaaf and Anderson introduced—

S. F. No. 1874: A bill for an act relating to education; school districts; separate election districts; changing the requirements for petitions for division into and changing boundaries of special election districts; amending Minnesota Statutes 1976, Section 123.32, Subdivisions 10 and 15.

Referred to the Committee on Elections.

Messrs. Nelson and Hanson introduced—

S. F. No. 1875: A bill for an act relating to education; retirement of teachers; allowing teachers with not less than 15 total years of full time teaching service to qualify for the teacher early retirement incentive program; amending Minnesota Statutes, 1977 Supplement, Section 125.61, Subdivision 1.

Referred to the Committee on Education.

Mr. Moe introduced—

S. F. No. 1876: A bill for an act relating to state government; providing for classifying certain persons as state employees; amending Minnesota Statutes, 1977 Supplement, Section 268.013, by adding a subdivision.

Referred to the Committee on Governmental Operations.

Mr. Solon introduced—

S. F. No. 1877: A bill for an act relating to courts; increasing the maximum salary for district court reporters; amending Minnesota Statutes 1976, Section 486.05, Subdivision 1.

Referred to the Committee on Judiciary.

Messrs. Davies, Sikorski, Sillers and Hanson introduced—

S. F. No. 1878: A bill for an act relating to real estate; the uniform condominium act; providing for taxation as a separate parcel; regulating eminent domain awards; regulating the creation of condominiums; protecting the purchasers of condominiums; regulating condominium declaration; regulating the management of condominiums.

Referred to the Committee on Commerce.

Mr. Spear introduced—

S. F. No. 1879: A bill for an act relating to insurance; changing certain abstracting and publishing requirements for annual statements; exempting certain assessments from retaliatory provisions; clarifying application of certain benefit requirements for handicapped children under group hospital or medical expense insurance policies; amending Minnesota Statutes 1976, Sections 60A.13, Subdivisions 3, 4, and 7; 60A.14, Subdivision 1; 60A.19, Subdivision 6; and 62A.14, Subdivision 2.

Referred to the Committee on Commerce.

Messrs. Spear, Lewis, Tennesen and Sikorski introduced—

S. F. No. 1880: A bill for an act relating to public welfare; child care services; defining a sliding schedule fee payment plan for child care; appropriating money; amending Minnesota Statutes 1976, Section 245.84, Subdivision 2.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Laufenburger introduced—

S. F. No. 1881: A bill for an act relating to the trunk highway system; discontinuing and removing certain routes therefrom; adding a new route in substitution of an existing route.

Referred to the Committee on Transportation.

Messrs. Purfeerst, Kirchner and Laufenburger introduced—

S. F. No. 1882: A bill for an act relating to highway traffic regulations; prohibiting possession of certain traffic signs; granting immunity from prosecution to persons who voluntarily notify police of their possession of such signs; amending Minnesota Statutes 1976, Section 169.08.

Referred to the Committee on Transportation.

Messrs. Lewis, Vega, Nelson, Kirchner and Perpich introduced—

S. F. No. 1883: A bill for an act relating to public health; providing for the development of a statewide emergency medical services system; imposing certain duties on the commissioner of health; creating a statewide emergency medical services advisory committee; appropriating money.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Lessard introduced—

S. F. No. 1884: A bill for an act relating to Koochiching county; authorizing the county law library to be supported by judicially imposed fee charges.

Referred to the Committee on Judiciary.

Messrs. Davies, Sieloff, Wegener and Dieterich introduced—

S. F. No. 1885: A bill for an act relating to courts; providing for administration of the tax court; amending Minnesota Statutes, 1977 Supplement, Section 271.02.

Referred to the Committee on Judiciary.

Messrs. Tennesen, Bang, Benedict and Sikorski introduced—

S. F. No. 1886: A bill for an act relating to financial institutions; changing powers of savings and loan associations; amending Minnesota Statutes 1976, Section 51A.21, Subdivision 16.

Referred to the Committee on Commerce.

Messrs. Davies; Schmitz; Ueland, A. and Stokowski introduced—

S. F. No. 1887: A bill for an act relating to elections; making

misuse of campaign funds a crime of theft; providing for the disposition of certain campaign funds; amending Minnesota Statutes 1976, Chapter 210A, by adding a section.

Referred to the Committee on Elections.

Messrs. Davies; Schmitz; Ueland, A. and Stokowski introduced—

S. F. No. 1888: A bill for an act relating to elections; prohibiting misuse of campaign funds; providing a civil penalty; amending Minnesota Statutes 1976, Chapter 210A, by adding a section.

Referred to the Committee on Elections.

Messrs. Tennessen; Ogdahl; Keefe, S.; Davies and Gearty introduced—

S. F. No. 1889: A bill for an act relating to St. Anthony Falls historic district; appropriating money.

Referred to the Committee on General Legislation and Veterans Affairs.

Mr. Stumpf introduced—

S. F. No. 1890: A bill for an act relating to consumer protection; providing that customers may verify the weight declared on certain food products offered for sale; amending Minnesota Statutes 1976, Chapter 325, by adding a section.

Referred to the Committee on Commerce.

Messrs. Dunn, Merriam, Stokowski, Schaaf and Sieloff introduced—

S. F. No. 1891: A bill for an act relating to taxation; property tax; exempting certain cities containing utility plants from per capita levy limitations; amending Minnesota Statutes 1976, Section 275.11, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Bernhagen, Frederick, Hanson and Chmielewski introduced—

S. F. No. 1892: A bill for an act relating to taxation; income tax; providing an extra credit against tax due for certain disabled persons; amending Minnesota Statutes, 1977 Supplement, Section 290.06, Subdivision 3c.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Bernhagen, Penny, Schrom and Frederick introduced—

S. F. No. 1893: A bill for an act relating to taxation; allowing surviving parents to claim the income adjusted homestead credit of a deceased person; amending Minnesota Statutes, 1977 Supplement, Section 290A.18.

Referred to the Committee on Taxes and Tax Laws.

Mr. Davies introduced—

S. F. No. 1894: A bill for an act relating to courts; municipal court jurisdiction of rental property actions; repealing Minnesota Statutes, 1977 Supplement, Section 488.04, Subdivision 3a.

Referred to the Committee on Judiciary.

Mr. Stumpf introduced—

S. F. No. 1895: A bill for an act relating to education; transportation; permitting school buses to transport senior citizens free of charge.

Referred to the Committee on Education.

Mr. Merriam introduced—

S. F. No. 1896: A bill for an act relating to education; apportioning statutory operating debt, recomputing grandfather levies and cancelling referendum levies in the event of consolidation; amending Minnesota Statutes 1976, Section 122.23, by adding subdivisions.

Referred to the Committee on Education.

Mr. Merriam introduced—

S. F. No. 1897: A bill for an act relating to education; administrative procedures; changing the process for appeals from final orders of the commissioner of education; amending Minnesota Statutes 1976, Section 127.25, Subdivisions 1, 2, and by adding a subdivision.

Referred to the Committee on Education.

Mr. Merriam introduced—

S. F. No. 1898: A bill for an act relating to education; clarifying the duties of school district treasurers and clerks; amending Minnesota Statutes 1976, Section 123.34, Subdivisions 4 and 8.

Referred to the Committee on Education.

Mr. Merriam introduced—

S. F. No. 1899: A bill for an act relating to privacy; prohibiting the exchange of data on individuals between agencies or political subdivisions and certain international organizations; amending Minnesota Statutes 1976, Chapter 15, by adding a section.

Referred to the Committee on Judiciary.

Mr. Benedict introduced—

S. F. No. 1900: A bill for an act relating to commerce; providing for delivery of motor vehicle certificates of title to owners; amend-

ing Minnesota Statutes 1976, Sections 168A.06; and 168A.20, Subdivision 1.

Referred to the Committee on Commerce.

Messrs. Spear and Tennesen introduced—

S. F. No. 1901: A bill for an act relating to the city of Minneapolis; modifying the certification procedure for vacancies in the classified service.

Referred to the Committee on Local Government.

Messrs. Stokowski, Peterson, McCutcheon, Knoll and Strand introduced—

S. F. No. 1902: A bill for an act relating to retirement; providing survivor annuities for survivors of members of the public employees retirement association; amending Minnesota Statutes 1976, Section 353.30, Subdivisions 1a and 3, and by adding a subdivision.

Referred to the Committee on Governmental Operations.

Messrs. Stokowski, Peterson, Knoll and Strand introduced—

S. F. No. 1903: A bill for an act relating to retirement; automatic increases in benefits and annuities payable from the Minnesota adjustable-fixed benefit fund; amending Minnesota Statutes 1976, Section 11.25, by adding a subdivision.

Referred to the Committee on Governmental Operations.

Messrs. Borden, Schaaf, Laufenburger, Ashbach and Keefe, S. introduced—

S. F. No. 1904: A bill for an act relating to solid waste pollution; requiring licensing of retailers selling certain beverages and prohibiting certain retail practices; requiring the establishment of regional recycling centers and programs; prohibiting littering; requiring litter bags and receptacles in vehicles and public places; imposing a litter license fee upon certain manufacturers and importers; changing procedures for the appointment of the director of the environmental education board; requiring regional solid waste plans; providing penalties; appropriating funds; amending Minnesota Statutes 1976, Sections 116E.03, Subdivisions 7, 7a, and 8; 116F.02, Subdivision 5, and by adding a subdivision; 116F.03; 116F.04, Subdivision 1; 116F.05, Subdivision 2; 116F.06, Subdivision 3; 174.02, Subdivision 2; 462.384, by adding subdivisions; and 462.39, by adding subdivisions; repealing Minnesota Statutes 1976, Sections 85.20, Subdivision 6; 169.42; and 609.68.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Keefe, S.; Gearty; Spear and Stokowski introduced—

S. F. No. 1905: A bill for an act providing for positions in the unclassified service of the city of Minneapolis; amending Laws 1969, Chapter 937, Section 1, Subdivision 1, as amended and by adding a subdivision.

Referred to the Committee on Local Government.

Messrs. Laufenburger, Purfeerst, Strand, Schmitz and Gunderson introduced—

S. F. No. 1906: A bill for an act relating to taxation; sales tax; exempting certain farm machinery; amending Minnesota Statutes 1976, Section 297A.25, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Luther and Hanson introduced—

S. F. No. 1907: A bill for an act relating to solid waste; concerning junk yards; limiting the establishment of new junk yards; allowing the establishment of county junk yards.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Luther, Humphrey and Benedict introduced—

S. F. No. 1908: A bill for an act relating to aeronautics; modifying airport zoning regulations to protect existing residential neighborhoods; amending Minnesota Statutes 1976, Sections 360.062; 360.066, Subdivision 1, and by adding a subdivision.

Referred to the Committee on Transportation.

Messrs. Keefe, S.; Stokowski; Gearty; Ogdahl and Tennesen introduced—

S. F. No. 1909: A bill for an act relating to the city of Minneapolis; authorizing increased compensation for members of the board of park commissioners; amending Laws 1974, Chapter 181, Section 1.

Referred to the Committee on Local Government.

Messrs. Schmitz and Stumpf introduced—

S. F. No. 1910: A bill for an act relating to education; allowing certain transportation base cost adjustments for changes in transportation patterns caused by a schoolhouse opening; amending Minnesota Statutes, 1977 Supplement, Section 124.222, Subdivision 6.

Referred to the Committee on Education.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, herewith returned: S. F. No. 686.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned January 30, 1978

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H. F. No. 830.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted January 30, 1978

FIRST READING OF HOUSE BILLS

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

H. F. No. 830: A bill for an act relating to public utilities; regulation of cooperative electric associations; amending Minnesota Statutes 1976, Sections 216B.01; 218B.02, Subdivision 4; 216B.06; 216B.17, by adding a subdivision; 216B.36; 216B.38, Subdivision 5; 216B.45; 216B.47; 216B.62, by adding a subdivision; repealing Minnesota Statutes 1976, Sections 216B.48, Subdivision 7; 216B.49, Subdivision 6; 216B.50, Subdivision 2; and 216B.51, Subdivision 2.

Referred to the Committee on Commerce.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted, with the exception of reports pertaining to appointments. The motion prevailed.

Mr. Tennessen from the Committee on Commerce, to which was referred

S. F. No. 438: A bill for an act relating to bank charters, confidentiality of financial statements, hearing costs, managing officers, automatic expiration; amending Minnesota Statutes 1976, Sections 45.04; and 45.07.

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

Page 1, line 18, strike "All"

Page 1, strike lines 19 to 21

Page 1, line 22, strike "*granting of the application.*"

Page 2, line 8, after "*applicant*" insert "*and objectors*"

Page 2, line 8, strike "*a fee of \$500 as the applicant's share*"

Page 2, line 9, strike "*of the cost of the hearing, and*" and "*additional*"

Page 2, line 10, strike everything after "*hearing*" and insert "*, sharing those costs equally among them.*"

Page 2, strike line 11

Page 2, line 12, strike "*fee*" and insert "*These fees*"

Page 2, after line 27, insert:

"For the purpose of this section, "objector" means any person who pursuant to rules promulgated by the commission and the office of hearing examiners, gives notice of interest to appear at a hearing in opposition to the granting of an application.

Subd. 1a. [PERSONAL FINANCIAL STATEMENTS.] A personal financial statement submitted by an applicant shall be private data, as defined in section 15.162, subdivision 5a."

Page 3, line 10, before "*Sixty*" insert "*At least*"

Page 3, line 16, strike "*12*" and insert "*18*"

Page 3, line 21, strike "*commissioner*" and insert "*commission*"

Page 4, line 19, strike "*and stockholders*"

Amend the title as follows:

Page 1, line 2, strike "*, confidentiality of*" and insert "*; classifying data contained in*"

Page 1, line 3, strike "*, hearing*" and insert "*of applicants; requiring payment of certain*"

Page 1, line 3, after "*costs*" strike the comma and insert "*; requiring approval of*"

Page 1, line 4, strike "*, automatic expiration*" and insert "*; regulating issuance and expiration of certificates of authorization and charters*"

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

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 1648: A bill for an act relating to the city of Albert Lea; authorizing the annexation of certain land located outside the city limits.

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

Page 2, after line 23, insert:

"Sec. 2. The city of Albert Lea may not annex land under the provisions of section 414.033 if the border of the land annexed by

this act is necessary to fulfill the 60 percent requirement of the section until the land abuts the city."

Renumber the remaining section

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

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 1282: A bill for an act relating to public health; authorizing school superintendents appointed to county nursing committees to designate certain other persons to serve in their place; amending Minnesota Statutes 1976, Section 145.12.

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

Page 2, line 4, strike "by" and insert "in"

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

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 1285: A bill for an act relating to local government; setting a time limit for local improvements; amending Minnesota Statutes 1976, Sections 429.021, Subdivision 3; 429.041, Subdivision 1; and Chapter 435, by adding a section.

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S. F. No. 1758: A bill for an act relating to the department of transportation; concerning the Great River Road; amending Minnesota Statutes 1976, Sections 161.142 and 161.148.

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

Page 1, line 16, strike "lessor" and insert "lesser"

Page 2, line 14, strike "grant" and insert "distribute any"

Page 2, line 15, strike "funds" and insert "aid received by the department"

Page 2, line 15, before "state" insert "the"

Page 3, line 17, after "161.148," insert "Subdivision 1,"

Page 5, after line 13, insert

"Sec. 3. Minnesota Statutes 1976, Section 161.148, Subdivision 2, is amended to read:"

Page 5, line 28, strike "an alternate or"

Page 6, after line 1, insert

"Sec. 4. Minnesota Statutes 1976, Section 161.148, Subdivision 3, is amended to read:"

Page 6, line 25, before "*funds*" insert "*federal*"

Page 6, delete the stricken lines 28 to 32 and insert:

"Sec. 5. [REPEALER]. *Minnesota Statutes 1976, Section 161.148, Subdivision 4, is repealed.*"

Renumber the remaining sections

Amend the title as follows:

Page 1, line 3, strike "concerning" and insert "permitting the commissioner of transportation to designate primary and alternate routes for"

Page 1, line 3, after the semicolon, insert "deleting the statutory route; removing duty of the commissioner to maintain the road;"

Page 1, line 5, before the period, insert ", Subdivisions 1, 2 and 3; repealing Minnesota Statutes 1976, Section 161.148, Subdivision 4"

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

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

H. F. No. 1792: A bill for an act relating to the Lincoln-Pipestone and Rock county rural water systems; providing for the assessment of costs.

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

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 1602: A bill for an act relating to nonprofit corporations; concerning corporations for dependent children; regarding reimbursement for adoption services expenses; amending Minnesota Statutes 1976, Section 317.65, Subdivision 7.

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

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

S. F. No. 1720: A bill for an act relating to game and fish; revising certain provisions regarding placement of blinds and decoys; amending Minnesota Statutes 1976, Section 100.29, Subdivision 18.

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

Page 1, line 10, strike the new language

Page 1, strike lines 11 and 12

Page 1, line 13, strike "*subdivision,*"

Page 2, strike line 3

Page 2, line 4, strike "*water mark and the low water mark*" and insert "*the water's edge*"

Page 2, line 4, strike the comma and insert "*or*"

Page 2, line 5, strike "*or erection be*" and insert "*is*"

Page 2, line 6, strike "*for exclusive use by*"

Page 2, line 7, strike "*him or others having his express permission*"

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

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

S. F. No. 1727: A bill for an act relating to state parks; deleting certain lands from the boundaries of Itasca state park; repealing Laws 1976, Chapter 110, Section 2.

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

Strike everything after the enacting clause and insert:

"Section 1. Laws 1976, Chapter 110, Section 2, is amended to read:

Sec. 2. [ADDITIONS TO ITASCA STATE PARK.] Subdivision 1. [ACQUISITION OF LAND.] The lands described in this section are added to the boundaries of Itasca State Park. The commissioner of administration for the commissioner of natural resources may acquire these lands by gift, purchase, or if expressly authorized by law, by condemnation proceedings. Any land which now is or hereafter becomes tax-forfeited land and is located within the described park boundaries is hereby withdrawn from sale and is transferred from the custody, control, and supervision of the county board of the county to the commissioner of natural resources, free from any trust in favor of the interested taxing districts. The commissioner shall execute a certificate of acceptance of the lands on behalf of the state for park purposes and transmit the same to the county auditor for recording as provided by law in the case of tax-forfeited land transferred to the commissioner by resolution of the county board for conservation purposes. Any lands within the boundaries described in this section which are owned by the United States and managed by any of its agents may be acquired by land exchange, direct transfer, or purchase as federal laws may authorize. The lands acquired pursuant to this section shall be administered in the same manner as provided for other state parks and shall be perpetually dedicated for park use.

Subd. 2. [PROPERTY DESCRIPTION.] The commissioner of administration may in accordance with this section acquire the property described as follows:

(a) In the county of Clearwater, that part of the South Half of Section 29 lying southerly of Anchor Matson Road; that part of Section 31 lying southeasterly of Anchor Matson Road; all of Section 32; that part of Section 33 lying southerly of the Minnesota Highway 200; all of the Northeast Quarter and that part of the West Half of Section 34 lying southerly of Minnesota Highway 200; all of the Southwest Quarter of the Northwest Quarter, that part of the North Half of the Northwest Quarter lying southerly of Minnesota Highway 200, and That part of the Southeast Quarter of the Northeast Quarter lying southerly of Minnesota Highway 200 in Section 35; and that part of the South Half of Section 36 lying southerly of Minnesota Highway 200; all in Township 144 North, Range 36 West.

(b) In the county of Hubbard, that part of the Southwest Quarter of the Southwest Quarter of Section 31, Township 144 North, Range 35 West, lying southwesterly of Minnesota Highway 200; that part of the West Half of Section 8 lying southwesterly of Minnesota Highway 200; and that part of the Northwest Quarter of Section 17 lying westerly of Minnesota Highway 200; all in Township 143 North, Range 35 West.

Sec. 2. *The commissioner of natural resources shall convey the following described lands which were acquired by the state pursuant to Minnesota Statutes 1976, Section 85.012, and recorded with the recorder of Clearwater county, to Clearwater county in a form approved by the attorney general, subject to any trust in favor of an interested taxing district which existed on March 31, 1976. That part of the Southwest Quarter of the Northwest Quarter lying southeasterly of the Anchor Matson Road, that part of the Northeast Quarter of the Northeast Quarter lying southeasterly of the Anchor Matson Road, that part of the Northwest Quarter of the Northeast Quarter lying southeasterly of the Anchor Matson Road, that part of the Southwest Quarter of the Northeast Quarter lying southeasterly of the Anchor Matson Road, the Southeast Quarter of the Northeast Quarter, and the Southeast Quarter of Section 31; the Northeast Quarter of the Northeast Quarter, the Southeast Quarter of the Northeast Quarter, the West Half of the Northeast Quarter, the South Half of the Northwest Quarter, the Southwest Quarter, and the Southeast Quarter of Section 32; that part of the East Half of the Northwest Quarter lying south of Minnesota Highway 200, that part of the Southwest Quarter of the Northeast Quarter lying south of Minnesota Highway 200, the Northwest Quarter of the Southeast Quarter, and the Southwest Quarter of Section 33; the South Half of the Northwest Quarter of Section 34; all in Township 144 North, Range 36 West. Clearwater county shall hold these lands as tax-forfeited lands and have the same custody, control, and supervision as if the state had never acquired them for inclusion in Itasca State Park, including authority to make them available for sale pursuant to Minnesota Statutes, Chapter 282.*

Sec. 3. This act is effective the day following final enactment."

Amend the title as follows:

Line 4, strike "repealing" and insert "amending"

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

Mr. Olson from the Committee on General Legislation and Veterans Affairs, to which were referred the following appointments as reported in the Journal for January 17, 1978:

STATE ZOOLOGICAL BOARD

Connie Deland

Sandra Day Stokesbary

Adolph Tobler

Jerome Wagner

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

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred the following appointment as reported in the Journal for January 17, 1978:

STATE SOIL AND WATER CONSERVATION BOARD

Marylyn Deneen

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

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred the following appointment as reported in the Journal for January 17, 1978:

DEPARTMENT OF HEALTH COMMISSIONER

Dr. Warren Lawson

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

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Anderson from the Committee on Energy and Housing, to which was referred the following appointment as reported in the Journal for January 17, 1978:

MINNESOTA HOUSING FINANCE AGENCY

Carmen Torgerson Del Castillo

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

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Anderson from the Committee on Energy and Housing, to which was referred the following appointment as reported in the Journal for May 17, 1977:

MINNESOTA HOUSING FINANCE AGENCY

Demetrius Jelatis

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

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Anderson from the Committee on Energy and Housing, to which was referred the following appointment as reported in the Journal for May 11, 1977:

MINNESOTA HOUSING FINANCE AGENCY

James Price

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

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Laufenburger from the Committee on Employment, to which was referred the following appointment as reported in the Journal for January 17, 1978:

OCCUPATIONAL SAFETY AND HEALTH REVIEW BOARD

Fred Cina

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

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Hughes from the Committee on Education, to which were referred the following appointments as reported in the Journal for January 17, 1978:

MINNESOTA HIGHER EDUCATION FACILITIES AUTHORITY

Bernard P. Friel

HIGHER EDUCATION COORDINATING BOARD

Dr. Geraldine Carter

Maxine Gaines

Verna Wood

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

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Hughes from the Committee on Education, to which was referred the following appointment as reported in the Journal for January 24, 1978:

**DEPARTMENT OF EDUCATION
COMMISSIONER**

Howard B. Casmey

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

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Coleman from the Committee on Rules and Administration, to which were referred for proper reference under Rule 35:

S. F. Nos. 1577, 1599, 1638, 1704, 1748 and 1770 reports the same back with the recommendation that the bills be re-referred as follows:

S. F. No. 1770 to the Committee on Commerce.

S. F. No. 1748 to the Committee on Education.

S. F. No. 1577 to the Committee on General Legislation and Veterans Affairs.

S. F. No. 1638 to the Committee on Governmental Operations.

S. F. No. 1599 to the Committee on Health, Welfare and Corrections.

S. F. No. 1704 to the Committee on Local Government.

Report adopted.

Mr. Coleman from the Committee on Rules and Administration makes the following report: That Rule 62 of the Permanent Rules of the Senate appearing in the Journal for January 17, 1978, be amended as follows:

Page 3308, "Researcher" classification, in column entitled "Salary per Day" after "1 @ \$42.47" insert "1 @ \$46.58"

Report adopted.

Mr. Coleman from the Subcommittee on Bill Scheduling, to which were referred S. F. Nos. 1510, 1066 and 910 makes the following report:

That S. F. Nos. 1510, 1066 and 910 be placed on the General Orders Calendar in the order indicated.

That there were no other bills before the Subcommittee on which floor action was requested. Report adopted.

APPOINTMENTS

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

H. F. No. 1180: Messrs. Laufenburger, Kirchner, and Keefe, S.

Mr. Coleman moved that the foregoing appointments be approved. The motion prevailed.

SECOND READING OF SENATE BILLS

S. F. Nos. 438, 1648, 1282, 1285, 1758, 1602, 1720 and 1727 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. No. 1792 was read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS

Mr. Davies moved that the name of Mr. Tennessen be added as chief author and Mr. Davies be shown as co-author to S. F. No. 1033. The motion prevailed.

Mr. Vega moved that the names of Messrs. Nichols, Spear and Dieterich be added as co-authors to S. F. No. 1588. The motion prevailed.

Mr. Lewis moved that the names of Messrs. Keefe, J. and Knutson be added as co-authors to S. F. No. 1649. The motion prevailed.

Mr. Johnson moved that the name of Mr. Lessard be added as co-author to S. F. No. 1797. The motion prevailed.

Mr. Nelson moved that the name of Mr. Lessard be added as co-author to S. F. No. 1798. The motion prevailed.

Mr. Peterson moved that the name of Mr. Lessard be added as co-author to S. F. No. 1812. The motion prevailed.

Mr. Johnson moved that the name of Mr. Lessard be added as co-author to S. F. No. 1818. The motion prevailed.

Mr. Johnson moved that the name of Mr. Lessard be added as co-author to S. F. No. 1819. The motion prevailed.

Mr. Johnson moved that the name of Mr. Lessard be added as co-author to S. F. No. 1820. The motion prevailed.

Mr. Coleman moved that the name of Mr. Milton be stricken as chief author and Mr. Kleinbaum be added as chief author to S. F. No. 1255. The motion prevailed.

Mr. Coleman moved that the name of Mr. Milton be stricken as chief author and Mr. Nelson be added as chief author to S. F. No. 1505. The motion prevailed.

Mr. Coleman moved that the name of Mr. Milton be stricken as chief author and Mr. Sikorski be added as chief author to S. F. No. 553. The motion prevailed.

Mr. Coleman moved that the name of Mr. Milton be stricken as chief author and Mr. Hughes be added as chief author to S. F. Nos. 1461 and 1498. The motion prevailed.

Mr. Coleman moved that the name of Mr. Milton be stricken as chief author and Mrs. Staples be added as chief author to S. F. Nos. 1219, 375, 741, 936 and 1401. The motion prevailed.

Mr. Coleman moved that the name of Mr. Milton be stricken as chief author and Mr. Keefe, S. be added as chief author to S. F. No. 1108. The motion prevailed.

Mr. Coleman moved that the name of Mr. Milton be stricken as chief author and Mr. Vega be added as chief author to S. F. Nos. 1451, 778 and 509. The motion prevailed.

Mr. Coleman moved that the name of Mr. Milton be stricken as chief author and Mr. Luther be added as chief author to S. F. No. 618. The motion prevailed.

Mr. Coleman moved that the name of Mr. Milton be stricken as chief author and Mr. Stokowski be added as chief author to S. F. No. 1502. The motion prevailed.

Mr. Coleman moved that the name of Mr. Milton be stricken as chief author and Mrs. Knaak be added as chief author to S. F. Nos. 782 and 1547. The motion prevailed.

Mr. McCutcheon moved that the name of Mr. Borden be added as co-author to S. F. No. 1277. The motion prevailed.

Mr. Ashbach moved that the name of Mr. Johnson be added as co-author to S. F. No. 1206. The motion prevailed.

Mr. Coleman moved to amend Senate Rule 62 in accordance with the report of the Committee on Rules and Administration adopted today, February 2, 1978.

The question was taken on the adoption of the motion.

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

Those who voted in the affirmative were:

Ashbach	Brataas	Dunn	Hanson	Keefe, J.
Bang	Chmielewski	Engler	Hughes	Keefe, S.
Benedict	Coleman	Frederick	Humphrey	Kirchner
Bernhagen	Davies	Gearly	Jensen	Kleinbaum
Borden	Dieterich	Gunderson	Johnson	Knaak

Knoll	Moe	Pillsbury	Sikorski	Ueland, A.
Knutson	Nelson	Purfeerst	Sillers	Ulland, J.
Lessard	Nichols	Renneke	Solon	Wegener
Lewis	Olhoft	Schmitz	Spear	Willet
Luther	Olson	Schrom	Stokowski	
Menning	Penny	Setzepfandt	Strand	
Merriam	Peterson	Sieloff	Stumpf	

The motion prevailed. So the rule was amended.

Mr. Coleman introduced—

Senate Concurrent Resolution No. 9: A senate concurrent resolution relating to joint rules; providing deadlines; amending Joint Rule 2.03.

BE IT RESOLVED, by the Senate of the State of Minnesota, the House of Representatives concurring therein:

Joint Rule 2.03 is amended to read:

DEADLINES

Rule 2.03. In ~~1977~~ 1978, committee reports on bills favorably acted upon by a committee in the house of origin after Friday, ~~April 22~~ March 3 and committee reports on bills originating in the other house favorably acted upon by a committee after Friday, ~~May 6~~ March 10 shall be referred in the Senate to the Committee on Rules and Administration, and in the House of Representatives to the Committee on Rules and Legislative Administration for disposition. Referral is not required when a committee after ~~April 22~~ March 3 and by ~~May 6~~ March 10 acts on a bill that is a companion to a bill that has met the ~~April 22~~ March 3 deadline in the other house. This rule does not apply to the Senate Committees on Finance and on Taxes and Tax Laws, and the House Committees on Appropriations and on Taxes.

Conference committees on the major appropriation bills specified in Joint Rule 2.02 shall have their reports on the members' desks by ~~Thursday, May 10, 1977~~ Tuesday, March 14, 1978.

After ~~Friday, May 20~~ in the first year of the biennium ~~Wednesday, March 15~~, neither house shall act on bills other than those contained in

- (a) reports of conference committees;
- (b) messages from the other house;
- (c) reports of the Committee on Rules and Administration in the Senate or the Committee on Rules and Legislative Administration in the House; or
- (d) messages from the governor.

Mr. Coleman moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

Mr. Coleman, for the Committee on Rules and Administration, offered the following resolution:

BE IT RESOLVED, by the Senate, that the following named

persons be and are hereby appointed to the positions hereinafter stated and at the salaries heretofore fixed.

Rev. Dave S. Schneider, Chaplain, effective January 19, 1978

Rev. Craig Hanson, Chaplain, effective January 23, 1978

Rev. James Bjorge, Chaplain, effective January 30, 1978

William Clausen, Page classification, effective January 19, 1978

Timothy Hutchinson, Page classification, effective January 24, 1978

Claude C. Lewis, Sergeant classification, effective January 25, 1978

Linda Lacher to replace Taloa Hoium in the Stenographer I classification, effective January 30, 1978

Steven C. Ahlgren, Researcher classification, effective January 18, 1978

Mr. Coleman moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

Mr. Laufenburger, from the Committee on Mileage, moved to amend the report of the Committee on Mileage found in the Journal for Tuesday, February 15, 1977, on pages 186-188, as follows:

Page 187, after "KLEINBAUM" insert "KNAAK, Delores . . .20"

Delete "MILTON, John24"

After "LESSARD, Robert" strike "596" and insert "620"

After "LEWIS, B. Robert" strike "36" and insert "28"

The motion prevailed. So the report was amended.

Mr. Willet moved that the report from the Committee on Agriculture and Natural Resources, reported January 30, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Willet moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Willet moved that in accordance with the report from the Committee on Agriculture and Natural Resources, reported January 30, 1978, the Senate, having given its advice, do now consent to and confirm the appointment of:

WATER PLANNING BOARD CHAIRMAN

Thomas J. Kalitowski, 2230 Spruce Trail, Golden Valley, Hennepin County, effective August 17, 1977, for a term expiring January 1, 1979.

The motion prevailed. So the appointment was confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Olson moved that the report from the Committee on General Legislation and Veterans Affairs, reported January 30, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Olson moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Olson moved that in accordance with the report from the Committee on General Legislation and Veterans Affairs, reported January 30, 1978, the Senate, having given its advice, do now consent to and confirm the appointments of:

BOARD OF THE ARTS

Luther Jones, 6511 Humboldt Avenue North, Brooklyn Center, Hennepin County, effective April 28, 1977, for a term expiring the first Monday in January, 1981.

Ron Libertus, 1812 Emerson Avenue South, Minneapolis, Hennepin County, effective April 28, 1977, for a term expiring the first Monday in January, 1981.

The motion prevailed. So the appointments were confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Olson moved that the report from the Committee on General Legislation and Veterans Affairs, reported January 30, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Olson moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Olson moved that in accordance with the report from the Committee on General Legislation and Veterans Affairs, reported January 30, 1978, the Senate, having given its advice, do now consent to and confirm the appointments of:

BOARD OF THE ARTS

James Glazman, 1811 Vermilion Road, Duluth, St. Louis County, effective January 3, 1977, for a term expiring the first Monday in January, 1981.

Philip Von Blon, 2121 Dwight Lane, Minnetonka, Hennepin County, effective January 3, 1977, for a term expiring the first Monday in January, 1981.

The motion prevailed. So the appointments were confirmed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to take up the General Orders Calendar. The motion prevailed.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Gearty in the chair.

After some time spent therein, the committee arose, and Mr. Gearty reported that the committee had considered the following:

S. F. Nos. 1607, 861, 1656, 1425, 1105 and 744 which the committee recommends to pass.

S. F. No. 1609, which the committee recommends to pass with the following amendment offered by Mr. Davies:

Page 2, line 18, strike "registered" and insert "*certified*"

S. F. No. 1610 which the committee reports progress, subject to the following motion:

Mr. Davies moved to amend S. F. No. 1610 as follows:

Page 2, line 6, strike "BACK OF" and after "BALLOT" insert "**DESIGNATION**"

Page 2, line 6, strike "the back of"

The motion prevailed. So the amendment was adopted.

S. F. No. 1610 was then progressed.

On motion of Mr. Coleman, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

ANNOUNCEMENT TO THE SENATE

Mr. Coleman offered the following and asked that it be printed in the Journal.

The income accounts of Coleman/Goff, Inc. are:

Blue Shield of California

ITT Industrial Credit Company

Northwestern National Bank of Saint Paul

Northwest Bancorporation

Leamington Hotel

Kate-Lo Minnesota

Innsbruck Studios

Ewald Dairies

Advo Systems, Inc.

Thorp Credit & Thrift

St. Paul-Ramsey Medical Education and Research Foundation

Beltmann NorthAmerican

Saint Paul-Ramsey Medical Center

National Association of Electrical Contractors, St. Paul Chapter

Mr. Coleman moved that the foregoing announcement be printed in the Journal. The motion prevailed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Purfeerst moved that the name of Mr. Frederick be added as co-author to S. F. No. 1852. The motion prevailed.

Mr. Coleman moved that the Senate do now adjourn until 10:00 o'clock a. m., Monday, February 6, 1978. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SIXTY-NINTH DAY

St. Paul, Minnesota, Monday, February 6, 1978

The Senate met at 10:00 o'clock a.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. Winfield V. Johnson.

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

Anderson	Gearty	Laufenburger	Peterson	Stokowski
Bang	Gunderson	Lessard	Pillsbury	Strand
Benedict	Hanson	Luther	Purfeerst	Stumpf
Bernhagen	Hughes	McCutcheon	Renneke	Tennessee
Borden	Humphrey	Menning	Schaaf	Ueland, A.
Brataas	Johnson	Merriam	Schmitz	Ulland, J.
Chenoweth	Keefe, J.	Moe	Schrom	Vega
Coleman	Keefe, S.	Nelson	Sieloff	Wegener
Davies	Kirchner	Nichols	Sikorski	Willet
Dieterich	Kleinbaum	Ogdahl	Sillers	
Dunn	Knaak	Olhoft	Solon	
Engler	Knoll	Olson	Spear	
Frederick	Knutson	Penny	Staples	

The President declared a quorum present.

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

MEMBERS EXCUSED

Messrs. Ashbach, Chmielewski, Jensen, Lewis, Perpich and Setzpfandt were excused from the Session of today.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

February 3, 1978

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

I have the honor to inform you that I have received, approved, signed, and deposited in the Office of the Secretary of State, S. F. No. 686.

Sincerely,
Rudy Perpich, Governor

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Lessard introduced—

S. F. No. 1911: A bill for an act relating to state lands; authorizing the lease of certain state lands in Itasca county for use by the Itasca Ski and Outing Club, Inc.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Lessard introduced—

S. F. No. 1912: A bill for an act relating to Itasca county; authorizing the exchange of certain riparian tax forfeited land for certain privately owned non-riparian land.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Humphrey, Mrs. Staples and Mr. Kirchner introduced—

S. F. No. 1913: A bill for an act relating to medical assistance; nursing home rates; modifying exceptions to rate limits; amending Minnesota Statutes, 1977 Supplement, Section 256B.47, Subdivision 1.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Setzepfandt, Nelson, Peterson, Lessard and Hanson introduced—

S. F. No. 1914: A bill for an act relating to workers' compensation; providing for the coverage of certain farm and business owners and employees; amending Minnesota Statutes, 1977 Supplement, Section 176.012.

Referred to the Committee on Employment.

Messrs. Penny, Nichols, Engler, Strand and Olson introduced—

S. F. No. 1915: A bill for an act relating to workers' compensation; changing the definition of family farms; amending Minnesota Statutes, 1977 Supplement, Section 176.011, Subdivision 11a.

Referred to the Committee on Employment.

Mr. Engler introduced—

S. F. No. 1916: A bill for an act relating to the city of Zumbrota; authorizing the sale of certain public land.

Referred to the Committee on Local Government.

Mrs. Staples, Messrs. McCutcheon, Perpich, Humphrey and Sillers introduced—

S. F. No. 1917: A bill for an act relating to children; requiring a welfare agency receiving a report of a maltreated minor to notify the local police department; amending Minnesota Statutes 1976, Section 626.556, Subdivisions 3 and 7; and Minnesota Statutes, 1977 Supplement, Section 626.556, Subdivision 11.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Stokowski, Strand, Peterson, Ogdahl and Renneke introduced—

S. F. No. 1918: A bill for an act relating to retirement; transfer of pension coverage for university of Minnesota peace officers to the public employees police and fire fund; terminating the university of Minnesota police department retirement plan and fund; transfer of assets and records; providing for an extension of police state aid; amending Minnesota Statutes 1976, Sections 69.021, Subdivision 9; 69.031, Subdivision 4; 356.20, Subdivision 2; Minnesota Statutes, 1977 Supplement, Sections 69.011, Subdivisions 1 and 2; 69.021, Subdivisions 5, 6 and 7; and 69.031, Subdivision 5.

Referred to the Committee on Governmental Operations.

Messrs. Anderson, Hughes, Stumpf, Humphrey and Sillers introduced—

S. F. No. 1919: A bill for an act relating to education; higher education coordinating board; providing financial assistance for certain married students.

Referred to the Committee on Education.

Mr. Merriam introduced—

S. F. No. 1920: A bill for an act relating to education; providing that rules relating to post-secondary vocational-technical education shall not incorporate the provisions of the state plan for vocational education by reference; amending Minnesota Statutes 1976, Section 121.21, Subdivision 6.

Referred to the Committee on Education.

Mr. Merriam introduced—

S. F. No. 1921: A bill for an act relating to education; clarifying the limitation on certain secondary vocational education travel aids; requiring that state board rules not mandate any minimum period of coordination time or extended employment for secondary vocational education personnel; providing that no district shall be required to offer secondary vocational education; amending Minnesota Statutes, 1977 Supplement, Section 124.573, Subdivisions 2 and 3.

Referred to the Committee on Education.

Messrs. Perpich, Solon, Kleinbaum, Nelson and Mrs. Knaak introduced—

S. F. No. 1922: A bill for an act relating to hospital licensing and inspection; requiring coordination of certain surveys and inspections; requiring adoption of federal standards for licensing; providing for licensing of hospitals accredited by the joint commission on accreditation of hospitals; clarifying inspection procedures and the commissioner of health's rule making authority; amending Minnesota Statutes 1976, Sections 144.54; 144.55; 144.56; 144.653; and Minnesota Statutes, 1977 Supplement, Section 144.50.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Ulland, J.; Perpich; Chmielewski; Johnson and Solon introduced—

S. F. No. 1923: A bill for an act relating to St. Louis county; enlarging the courthouse building commission; requiring annual budget estimates and corresponding tax levies; amending Laws 1971, Chapter 171, Section 1.

Referred to the Committee on Local Government.

Messrs. Willet, Schaaf, Borden, Sikorski and McCutcheon introduced—

S. F. No. 1924: A bill for an act relating to the state fire marshal; concerning the uniform fire code; providing for fee, fines and penalties; appropriating money; amending Minnesota Statutes 1976, Sections 299F.011; 299F.41, Subdivision 4; 299F.42; 299F.43, Subdivision 1; 299F.44; 299F.46; 299H.23; 299H.25; 299H.26; 299H.27; 299H.28; 299I.22; 299I.24; and Chapters 299F; 299H; and 299I, by adding sections; and Minnesota Statutes, 1977 Supplement, Section 299F.362, Subdivision 6; repealing Minnesota Statutes 1976, Sections 299F.33; 299F.39; 299G.01 to 299G.08; 299H.03 to 299H.21; 299I.01, Subdivisions 6, 7, 8 and 9; 299I.09; and 299I.11 to 299I.19.

Referred to the Committee on Energy and Housing.

Messrs. Lewis, McCutcheon, Kirchner, Sikorski and Coleman introduced—

S. F. No. 1925: A bill for an act relating to domestic abuse; authorizing judicial intervention to provide protection from domestic abuse; prescribing penalties.

Referred to the Committee on Judiciary.

Messrs. Lewis, Spear, Kirchner and Sikorski introduced—

S. F. No. 1926: A bill for an act relating to corrections; providing for the licensing of correctional facilities; amending Minne-

sota Statutes 1976, Sections 241.021, Subdivision 1; 641.09; and 641.18.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Lewis introduced—

S. F. No. 1927: A bill for an act relating to criminal procedure; permitting peace officers to make arrests upon probable cause in cases of spouse assault; extending immunity from suit to peace officers who make good faith arrests upon probable cause; amending Minnesota Statutes 1976, Chapter 629, by adding a section.

Referred to the Committee on Judiciary.

Mr. Lewis introduced—

S. F. No. 1928: A bill for an act relating to criminal procedure; requiring judicial review of bail for persons charged with spouse assault; amending Minnesota Statutes 1976, Chapter 629, by adding a section.

Referred to the Committee on Judiciary.

Messrs. McCutcheon, Peterson, Merriam and Stokowski introduced—

S. F. No. 1929: A bill for an act relating to taxation; defining the use of sales ratio studies; requiring social security numbers; providing a procedure for handling ad valorem tax abatements; providing a uniform appeal and demand period; clarifying filing requirements for certificates of real estate values; recodifying the classification of resort property; allowing a special levy for commuter van program; providing adjustments to the levy limit base; defining resident estate and resident trust for income tax purposes; defining income in computing low income credit; providing apportionment in computing minimum tax on preference items; allowing a carryback period for out-of-state losses; clarifying the distribution of production taxes; authorizing the commissioner of revenue to release information to assessors; allowing local government aid to special taxing districts; requiring special levy for Columbia Heights to be governed by general laws; amending Minnesota Statutes 1976, Sections 270.07, by adding a subdivision; 270.075, Subdivision 2; 270.076, Subdivision 1; 272.08; 273.13, by adding a subdivision; 290.01, by adding subdivisions; 290.46; 290.47; 290.48, Subdivisions 1 and 2; 290A.11, Subdivision 1; 290A.12; 292.08, Subdivision 4; 292.09, Subdivision 3; 294.02; 294.021; 297.07, Subdivision 3; 297.09, Subdivision 5; 297.35, Subdivision 3; 297.37, Subdivision 5; 297A.33, Subdivision 1; 477A.01, Subdivision 3; and Chapter 270, by adding a section; Minnesota Statutes, 1977 Supplement, Sections 124.212, Subdivision 11; 272.115, Subdivision 4; 273.13, Subdivisions 4 and 6; 275.50, Subdivision 5; 275.51, Subdivision 3d; 290.012, Subdivision 2; 290.091; 290.17; 298.28, Subdivision 1; 298.282, Subdivision 2; 298.48, Sub-

division 4; Laws 1977, Chapter 374, Sections 11 and 48; repealing Laws 1977, Chapter 307, Section 27.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Setzepfandt, Peterson, Olson and Bernhagen introduced—

S. F. No. 1930: A bill for an act relating to taxation; providing that all orders relating to valuation of property for ad valorem taxes be issued on or before November 15; classifying assessors' field cards as private data; authorizing the commissioner of revenue to provide new income tax tables; defining the deduction for tuition and transportation expense in computing income tax; providing a seven year carryforward for farm losses; limiting the deduction for charitable contributions; authorizing the commissioner to require a copy of computations used to compute federal income tax; allowing spouses to file combined returns even if one is a nonresident; requiring employers to file a withholding application; providing property tax relief benefits for persons becoming disabled before June 1; defining the acreage eligible for homestead exemption for inheritance tax purposes; changing gift tax rates and credits for certain donees; changing interest rates on certain gift tax refunds; altering classification of alcoholic beverages for tax purposes; requiring the revisor of statutes to recodify certain functions transferred to the department of public service; eliminating inheritance tax receipts; repealing the deduction for alimony; amending Minnesota Statutes 1976, Sections 270.12, Subdivision 3; 290.09, Subdivision 22; 290.37, Subdivision 3; 290.39, Subdivision 2; 290.92, by adding a subdivision; 290A.04, Subdivision 1; 291.05; 292.07, Subdivisions 3 and 5; 292.125; 340.47, Subdivision 1; and Chapter 272, by adding a section; and Minnesota Statutes, 1977 Supplement, Sections 290.06, Subdivision 2c; 290.09, Subdivisions 15 and 29; 290.21, Subdivision 3; 340.47, Subdivision 1a; repealing Minnesota Statutes 1976, Section 291.13, Subdivision 2; and Minnesota Statutes, 1977 Supplement, Section 290.09, Subdivision 14.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Dieterich and Sikorski introduced—

S. F. No. 1931: A bill for an act relating to public safety; bureau of criminal apprehension; providing for identification data of persons convicted of certain crimes; prohibiting fingerprint records and other identifying data of juvenile offenders from being forwarded to the bureau of criminal apprehension except under certain circumstances; appropriating money; amending Minnesota Statutes 1976, Sections 299C.10; and 299C.11.

Referred to the Committee on Judiciary.

Messrs. Hughes, Borden, Coleman, Chenoweth and Ashbach introduced—

S. F. No. 1932: A bill for an act relating to the organization and operation of government; requiring a study of the proper role and structure of metropolitan government agencies; requiring a review of the distribution of powers and duties between the metropolitan council, the metropolitan commissions, the legislature and political subdivisions within the metropolitan area; mandating a report; providing for certain services to be performed by the state planning agency; appropriating money.

Referred to the Committee on Governmental Operations.

Messrs. Hughes, Humphrey, Moe, Stumpf and Keefe, J. introduced—

S. F. No. 1933: A bill for an act relating to education; higher education coordinating board; providing for a statewide testing program; appropriating money.

Referred to the Committee on Education.

Messrs. Keefe, J.; Knutson, Lewis and Ashbach introduced—

S. F. No. 1934: A bill for an act relating to taxation: income tax; exempting public pensions; amending Minnesota Statutes, 1977 Supplement, Section 290.08, Subdivision 6.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Keefe, J.; Keefe, S.; Coleman and Ulland, J. introduced—

S. F. No. 1935: A bill for an act relating to ethics in government; requiring congressmen to file certain information with the Minnesota secretary of state.

Referred to the Committee on Elections.

Messrs. Hanson, Moe, Willet, Peterson and Lessard introduced—

S. F. No. 1936: A bill for an act relating to public television; eliminating restriction on location of television tower; amending Laws 1977, Chapter 320, Section 1.

Referred to the Committee on Finance.

Messrs. Hanson, Willet, Nichols, Peterson and Strand introduced—

S. F. No. 1937: A bill for an act relating to food; providing for label requirements on imported meat and dairy products; amending Minnesota Statutes 1976, Chapter 31, by adding a section.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Moe, Strand, Willet, Dunn and Lessard introduced—

S. F. No. 1938: A bill for an act relating to land acquisition for public purposes; providing landowner's bill of rights; amending Minnesota Statutes 1976, Section 117.055.

Referred to the Committee on Judiciary.

Messrs. Peterson and Olhofft introduced—

S. F. No. 1939: A bill for an act relating to natural resources; authorizing the commissioner of natural resources to convey the interests of the state in certain lands in Ottertail county for the purpose of correcting boundary description errors.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Kleinbaum, Sikorski and Dunn introduced—

S. F. No. 1940: A bill for an act relating to motor vehicles; providing for use of registration tax for recycling research; appropriating money; amending Minnesota Statutes 1976, Chapter 168B, by adding a section.

Referred to the Committee on Transportation.

Messrs. Strand, Nichols and Merriam introduced—

S. F. No. 1941: A bill for an act relating to education; authorizing school districts to operate buses for nonpupils attending school events in other public school districts; amending Minnesota Statutes 1976, Section 221.021.

Referred to the Committee on Education.

Messrs. Hughes; Merriam; Ueland, A.; Strand and Gunderson introduced—

S. F. No. 1942: A bill for an act relating to education; changing the application date for the teacher early retirement incentive program; amending Minnesota Statutes, 1977 Supplement, Section 125.61, Subdivision 2.

Referred to the Committee on Education.

Messrs. Luther, Willet, Benedict and Olson introduced—

S. F. No. 1943: A bill for an act relating to forests; regulating the maintenance of fires therein; amending Minnesota Statutes 1976, Section 88.16; repealing Minnesota Statutes 1976, Section 88.17.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Schrom, Chmielewski, Bernhagen and Kleinbaum introduced—

S. F. No. 1944: A bill for an act relating to taxation; sales tax; exempting certain residential heating fuels; amending Minnesota Statutes 1976, Section 297A.25, Subdivision 1.

Referred to the Committee on Energy and Housing.

Messrs. Chenoweth, Nelson and Peterson introduced—

S. F. No. 1945: A bill for an act relating to the state auditor; placing the position of the assistant to the state auditor in the unclassified service; amending Minnesota Statutes 1976, Section 43.09, Subdivision 2.

Referred to the Committee on Governmental Operations.

Messrs. Dieterich, Spear and Knoll introduced—

S. F. No. 1946: A bill for an act relating to marijuana; retroactively reducing past convictions involving a small amount of marijuana to a petty misdemeanor; amending Minnesota Statutes 1976, Section 152.18, by adding a subdivision.

Referred to the Committee on Judiciary.

Messrs. Peterson, Wegener and Ogdahl introduced—

S. F. No. 1947: A bill for an act relating to retirement; the highway patrolmen's retirement fund; payment of survivor benefits; amending Minnesota Statutes 1976, Section 352B.11, Subdivision 2.

Referred to the Committee on Governmental Operations.

Messrs. Kleinbaum, Olson, Nichols, Setzepfandt and Wegener introduced—

S. F. No. 1948: A bill for an act relating to agriculture; requiring the labeling of fryers as to state of origin; providing right for civil action for violations; amending Minnesota Statutes 1976, Chapter 29, by adding sections.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Merriam introduced—

S. F. No. 1949: A bill for an act relating to municipal police and fire civil service commissions; requiring that commissioners be appointed by city councils; limiting the commission's power to prescribe employment requirements; amending Minnesota Statutes 1976, Sections 419.02; 419.05; 419.06; 420.06; and 420.07.

Referred to the Committee on Local Government.

Mr. Merriam introduced—

S. F. No. 1950: A bill for an act relating to education; vocational programs; authorizing school boards to require students to provide certain transportation or to charge fees for that transportation; amending Minnesota Statutes 1976, Section 120.73, by adding a subdivision.

Referred to the Committee on Education.

Messrs. Merriam and Davies introduced—

S. F. No. 1951: A bill for an act relating to marriage; providing that the clerk of county court may solemnize marriages; amending Minnesota Statutes 1976, Section 517.04.

Referred to the Committee on Judiciary.

Messrs. Davies, Bernhagen and Merriam introduced—

S. F. No. 1952: A bill for an act relating to court; supreme courts; providing for publishing of reports of decisions; amending Minnesota Statutes 1976, Section 480.12.

Referred to the Committee on Judiciary.

Messrs. Olson; Menning; Ueland, A.; Setzepfandt and Schmitz introduced—

S. F. No. 1953: A bill for an act relating to education; allowing Independent School District No. 328 (Sioux Valley) and Independent School District No. 516 (Round Lake) to be eligible for the experimental pairing program; amending Minnesota Statutes, 1977 Supplement, Section 122.85, Subdivision 1.

Referred to the Committee on Education.

Mr. Knoll introduced—

S. F. No. 1954: A bill for an act relating to the organization and operation of state government; the payment of claims against the state and its employees; amending Minnesota Statutes 1976, Sections 3.732, Subdivision 1; and 3.736, Subdivision 9, and by adding a subdivision.

Referred to the Committee on Judiciary.

Mr. Knoll introduced—

S. F. No. 1955: A bill for an act relating to transportation construction contracts; defining the term "small business"; amending

Minnesota Statutes, 1977 Supplement, Section 161.321, Subdivision 1.

Referred to the Committee on Employment.

Messrs. Luther and Willet introduced—

S. F. No. 1956: A bill for an act relating to the adoption of rules concerning the process and procedures for designating power plant sites and transmission line routes; amending Minnesota Statutes, 1977 Supplement, Section 116C.66; and Laws 1977, Chapter 439, Section 26.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Olson introduced—

S. F. No. 1957: A bill for an act relating to county libraries; authorizing increased membership on county library boards; amending Minnesota Statutes 1976, Section 375.33, Subdivision 4.

Referred to the Committee on Local Government. Mr. Stumpf questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Davies introduced—

S. F. No. 1958: A bill for an act relating to juveniles; providing procedures regulating the detention of certain juveniles; amending Minnesota Statutes 1976, Section 260.185, Subdivision 1.

Referred to the Committee on Judiciary.

Messrs. Setzepfandt, Schmitz, Wegener, Engler and Renneke introduced—

S. F. No. 1959: A bill for an act relating to towns; providing for supervisors to control legal actions; amending Minnesota Statutes 1976, Sections 365.10; 365.40; and 366.01, by adding a subdivision.

Referred to the Committee on Local Government.

Mr. Nelson introduced—

S. F. No. 1960: A bill for an act relating to labor; clarifying the definition of public employer in the public employees labor relations act; amending Minnesota Statutes 1976, Section 179.63, Subdivision 4.

Referred to the Committee on Employment.

Messrs. Schaaf, Nichols, Stokowski, Ashbach and Ulland, J. introduced—

S. F. No. 1961: A bill for an act relating to commerce; regulating building movers; creating an advisory council; amending Minnesota Statutes 1976, Chapter 221, by adding a section.

Referred to the Committee on Commerce.

Messrs. Gunderson, Menning, Penny, Nelson and Engler introduced—

S. F. No. 1962: A bill for an act relating to local government; permitting self insurance for local governments; authorizing insurance pooling; amending Minnesota Statutes 1976, Sections 60A.02, Subdivisions 3 and 4; 79.01, Subdivisions 2 and 3; and Chapter 471, by adding sections.

Referred to the Committee on Commerce.

Messrs. Schrom and Chmielewski introduced—

S. F. No. 1963: A bill for an act relating to local units of government; removing certain restrictions on contracts affecting the financial interests of public officers; amending Minnesota Statutes 1976, Section 471.89, Subdivisions 2 and 3; and Minnesota Statutes, 1977 Supplement, Section 471.88, Subdivision 5.

Referred to the Committee on Local Government.

Messrs. Schrom and Kleinbaum introduced—

S. F. No. 1964: A bill for an act relating to worker's compensation; providing for appointments to court of appeals; providing for disability payments; altering retraining payments; providing time limitations on actions; amending Minnesota Statutes 1976, Sections 175.006, Subdivision 1; 176.101, Subdivisions 3, 4, 7 and by adding a subdivision; 176.131, Subdivision 8; and 176.151; repealing Minnesota Statutes 1976, Sections 176.101, Subdivisions 1 and 2; and 176.645.

Referred to the Committee on Employment.

Mr. Sikorski introduced—

S. F. No. 1965: A bill for an act relating to partition fences; exempting certain lands from the provisions of chapter 344; providing that when only one owner or occupant is benefited by a fence he shall be assigned the entire expenses of the fence; amending Minnesota Statutes 1976, Section 344.03, Subdivision 1; and Chapter 344, by adding a section.

Referred to the Committee on Local Government.

Mr. Sikorski introduced—

S. F. No. 1966: A bill for an act relating to counties and in particular to the county of Washington; providing a seven member

board of commissioners in Washington county; establishing commissioner districts; prescribing terms of office; amending Minnesota Statutes 1976, Section 375.01.

Referred to the Committee on Local Government.

Messrs. Knoll and Anderson introduced—

S. F. No. 1967: A bill for an act relating to housing; authorizing housing and redevelopment agencies to make rehabilitation loans and grants; amending Minnesota Statutes 1976, Section 462.445, Subdivision 9; repealing Laws 1976, Chapter 311, Section 1; Laws 1977, Chapters 262; and 344, Sections 2 and 3.

Referred to the Committee on Energy and Housing.

Mr. Willet introduced—

S. F. No. 1968: A bill for an act relating to state lands; authorizing conveyance of a certain parcel of land in Beltrami county.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Merriam; Keefe, S.; Stokowski; Kleinbaum and Keefe, J. introduced—

S. F. No. 1969: A bill for an act relating to property taxation; providing for assessed value of condominiums and cooperatives of type I and II construction; amending Minnesota Statutes 1976, Section 273.13, Subdivision 20.

Referred to the Committee on Taxes and Tax Laws.

Mr. Kleinbaum introduced—

S. F. No. 1970: A bill for an act relating to the city of St. Cloud; authorizing the imposition of a tax on the gross receipts from the furnishing of certain lodging.

Referred to the Committee on Local Government.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H. F. No. 1442.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 2, 1978

FIRST READING OF HOUSE BILLS

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

H. F. No. 1442: A bill for an act relating to professional corporations; including architects, professional engineers and land surveyors within the definition of professional service for the purposes of formation of professional corporations; amending Minnesota Statutes 1976, Section 319A.02, Subdivision 2.

Referred to the Committee on Judiciary.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk, with the exception of the reports on S. F. Nos. 1639 and 350, be now adopted. The motion prevailed.

Mr. Purfeerst from the Committee on Transportation, to which was referred

S. F. No. 1754: A bill for an act relating to highway traffic regulations; authorized emergency vehicles; approval of specifications and equipment test fees for lighting and vehicle safety equipment; warning devices on certain vehicles; and vehicle modification standards; amending Minnesota Statutes 1976, Sections 169.01, Subdivision 5; 169.65; and 169.75; repealing Minnesota Statutes 1976, Section 169.47, Subdivision 2.

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

Page 2, after line 6, insert:

"Sec. 2. Minnesota Statutes, 1977 Supplement, Section 169.305, Subdivision 1, is amended to read:

169.305 [CONTROLLED ACCESS REGULATIONS AND PENALTIES.] Subdivision 1. (a) No person shall drive a vehicle onto or from any controlled access highway except at such entrances and exits as are established by public authority.

(b) When special crossovers between the main roadways of a controlled access highway are provided for emergency vehicles or maintenance equipment and such crossovers are signed to prohibit "U" turns, it shall be unlawful for any vehicle, except an emergency vehicle or maintenance equipment, to use such crossover. *For the purposes of this clause "emergency vehicle" includes a wrecker if it is on the way to the location of an accident or a disabled vehicle.*

(c) The commissioner of transportation may by order, and any public authority may by ordinance, with respect to any controlled access highway under their jurisdictions prohibit or regulate the use of any such highway by pedestrians, bicycles, or other nonmotorized traffic, or by motorized bicycles, or by any class or kind of traffic which is found to be incompatible with the normal and safe flow of traffic.

(d) The commissioner of transportation or the public authority adopting any such prohibitory regulations shall erect and maintain official signs on the controlled access highway on which such regula-

tions are applicable and when so erected no person shall disobey the restrictions stated on such signs.

Sec. 3. Minnesota Statutes 1976, Section 169.468, Subdivision 2, is amended to read:

Subd. 2. In the absence of a motor vehicle safety standard adopted pursuant to the national traffic and motor vehicle safety act of 1966 or if any such standard is not applicable to new vehicles or new equipment manufactured and first sold in the state of Minnesota, the commissioner of public safety may require new vehicles and specific types of new equipment to be tested and approved for compliance with the requirements of this chapter, or any regulation adopted pursuant to this chapter. *The commissioner shall approve or disapprove of the vehicle or equipment within a reasonable time after it is submitted. Approval may be based upon a certificate of approval or test report furnished to the commissioner by the American Association of Motor Vehicle Administrators.* If such new vehicle or new equipment does not conform to the provisions of this chapter, or to such regulations adopted by the commissioner of public safety, no person shall sell, offer for sale, or use any such new vehicle or new equipment. The commissioner of public safety is authorized to set and collect a reasonable fee from the manufacturer or distributor for the testing and approval of all new vehicles and specific types of new equipment upon which approval is required under this section. Such fee may be sufficient in amount to reimburse the department of public safety for all costs connected with such test and approval. *The commissioner shall waive the fee for any approval based on a certificate of approval or test report furnished by the American Association of Motor Vehicle Administrators.*

Page 3, strike all of the underlined language

Page 4, line 13, strike "AND FLAGS" and insert ", FLAGS AND REFLECTORS"

Page 4, lines 13 and 14, strike "THREE FLARES" and insert "NUMBER REQUIRED"

Page 4, line 16, strike "*nor shall any person operate*"

Page 4, line 25, after "flares" strike the comma and insert "or"

Page 4, line 25, after "lanterns" strike the comma and insert "or"

Page 4, line 26, after "*triangles*" strike the comma

Page 5, line 2, strike the comma and insert "or"

Page 5, line 3, strike the comma

Page 5, line 6, strike "THREE" and after "FLAGS" insert "AND REFLECTORS"

Page 5, line 8, strike "*nor shall any person operate*" and insert a comma

Page 5, lines 21 and 22, strike the new language

Page 6, line 10, after "traffic," insert "except that a flag is not required to be displayed at the ten foot distance;"

Page 6, line 31, delete the underline from "Sec. 4."

Renumber the sections in sequence

Amend the title as follows:

Line 8, after the semicolon, insert "169.468, Subdivision 2;"

Line 9, after "169.75;" insert "Minnesota Statutes, 1977 Supplement, Section 169.305, Subdivision 1;"

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

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 1765: A bill for an act relating to the organization of state government; restructuring the Gillette hospital board; providing that employee and procurement laws are more consistent with laws applying to other agencies; requiring an annual report; amending Minnesota Statutes 1976, Section 250.05, Subdivisions 1, 3, 3a and 5; Minnesota Statutes 1977 Supplement, Section 250.05, Subdivision 2.

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

Strike Sections 1 to 4 and insert:

"Section 1. Minnesota Statutes 1976, Section 250.05, Subdivision 1, is amended to read:

250.05 [CREATION; ADMINISTRATION; POWERS AND DUTIES.] Subdivision 1. There is hereby established as a public corporation in the executive branch of state government and a political subdivision of the state, a the Gillette hospital board. The purpose of the board shall be to govern the operation of Gillette children's hospital in conjunction with the Ramsey county hospital in such manner as to obtain a maximum of efficiency and economy in the performance of and training in medical and surgical care of crippled children.

Sec. 2. Minnesota Statutes, 1977 Supplement, Section 250.05, Subdivision 2, is amended to read:

Subd. 2. The Gillette hospital board shall be governed by a board of directors consisting of seven nine members ; . Not more than three four of whom those appointed by the governor shall be residents of Ramsey county . One member shall be the commissioner of public welfare or designee of the commissioner. One member shall be The commissioner of health or designee of the commissioner and the commissioner of economic security or designee of the commissioner shall serve as voting members of the board . Five Of the seven remaining members, at least three of whom four shall be consumers as defined in section 145.72 ; . Members other than the commis-

sioners or their designees shall be appointed by the governor with the advice and consent of the senate ; provided, that if a commissioner elects to appoint a permanent designee, the designee shall be submitted to the senate for advice and consent . No member of the board shall be an employee of or have any direct financial interest in a business entity that provides goods or services to the hospital . No member of the board may be an employee of the hospital .

Sec. 3. Minnesota Statutes 1976, Section 250.05, Subdivision 3, is amended to read:

Subd. 3. The board shall organize by electing a chairman and other officers as may be required. The Gillette hospital board may shall employ an administrator and other professional, technical, and clerical personnel as may be required. *The administrator shall serve at the pleasure of the board in the unclassified civil service.* The Gillette hospital board may employ a certified public accountant legislative auditor to shall annually audit and examine ~~its~~ the hospital's financial records. The report of an examination or audit by a certified public accountant shall be submitted to the legislative auditor who shall review the audit report and accept it or make additional examinations as he deems to be in the public interest. The working papers of the certified public accountant relating to the Gillette hospital board shall be made available to the legislative auditor upon request.

The Gillette hospital board may contract for the services of individuals who perform medical, technical, or other services of a professional nature, and may contract for the purchase of necessary supplies, services, and equipment. Except as it determines, The Gillette hospital board shall not be subject to the provisions of chapter 16, concerning personnel, budgeting, payroll, ~~or~~ and the purchase of goods or services. Any department of state government is authorized, within the limits of its functions and appropriations, to assist the Gillette hospital board upon request."

Renumber the remaining sections in sequence

Further amend the title:

Page 1, line 8, strike ", 3a"

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

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 1589: A bill for an act relating to the state; authorizing the sale of certain state lands to, and the development of that land for industrial purposes or purposes which the city deems compatible with adjacent land by, the city of Owatonna; amending Laws 1965, Chapter 216, Section 2.

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

Strike the committee report adopted by the Senate January 26, 1978.

Strike everything after the enacting clause and insert:

"Section 1. Laws 1965, Chapter 216, Section 2, as amended by Laws 1967, Chapter 423, Section 1, and Laws 1975, Chapter 251, Section 1, is amended to read:

Sec. 2. [CONVEYANCE OF STATE LANDS; OWATONNA, CITY OF; INDUSTRIAL DEVELOPMENT.] At the request of the governing body of the city of Owatonna the governor upon recommendation of the commissioner of administration may sell only to the city of Owatonna all or any part or parts of the lands described in section 1 which lie west of interstate highway marked I-35 for industrial or governmental purposes. At the request of the governing body of the city of Owatonna, the governor may sell only to the city of Owatonna all or any part or parts of the lands described in section 1 which lie east of interstate highway marked I-35 for purposes which the city of Owatonna shall deem compatible with adjacent lands lying east and south thereof. The sale price shall be the value certified by the commissioner of administration upon the submission of three independent appraisals made by competent appraisers selected by him, one of whom shall be a resident of Steele county. This price shall represent fair market value at the time of the sale. All sales by the city of Owatonna of lands so conveyed by the state of Minnesota shall be at the same price paid to the state of Minnesota for said land, except that, in selling such lands, the city may add to the price paid the state the cost of any improvements made to said lands by the city.

Each sale of all or any part or parts of the lands described in section 1 shall be for cash and the commissioner of administration shall recommend to the governor the execution of the deed when the property sold is paid for. The attorney general shall prescribe and approve the form of each deed.

Sec. 2. *This act shall become effective only after its approval by a majority of the governing body of the city of Owatonna and upon compliance with the provisions of Minnesota Statutes, Section 645.021.*"

Further, amend the title as follows:

Page 1, line 7, after "2", insert ", as amended"

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 1637: A bill for an act relating to political subdivisions; authorizing loans to acquire town halls; amending Minnesota Statutes, 1977 Supplement, Section 465.73.

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

Page 2, line 1, after "(j)" strike ", and" and insert a period

Page 2, line 2, strike "not"

Page 2, line 3, strike "political subdivision" and insert "city or county but not the town"

Page 2, after line 10, insert:

"Sec. 2. [EFFECTIVE DATE.] *This act is effective on the day following its final enactment.*"

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

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 1713: A bill for an act relating to the city of Minneapolis; concerning the park and recreation board of the city of Minneapolis and the housing and redevelopment authority of the city of Minneapolis; providing for the assignment of employees to the riverfront development coordination board.

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

Amend the title as follows:

Page 1, line 2, strike "concerning"

Strike lines 3 and 4

Line 5, strike "authority of the city of Minneapolis;"

Line 6, after "for the" insert "extended"

Line 6, after "of" insert "city"

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 1635: A bill for an act relating to St. Louis county; limiting the manner in which costs to collect a judgment may be defrayed; amending Laws 1961, Chapter 302, Section 3.

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

Mr. Anderson from the Committee on Energy and Housing, to which was re-referred

S. F. No. 1446: A bill for an act relating to the state council for the handicapped; authorizing appeals by the council from state building code decisions affecting the interests of handicapped persons; granting the council authority to promulgate rules governing display of the international symbol of accessibility; authorizing the council to initiate or intervene in proceedings affecting handicapped persons; amending Minnesota Statutes 1976, Sections 256.482, Subdivision 5; and by adding subdivisions; 299G.12; and Chapter 16, by adding a section.

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

Page 1, strike lines 19 to 23

Page 1, line 24, strike "Subd. 2."

Page 2, line 1, after "code" insert "or any rules promulgated pursuant to sections 471.465 to 471.469"

Page 2, after line 13, insert:

"Sec. 2. Minnesota Statutes 1976, Chapter 16, is amended by adding a section to read:

[16.8632] [SYMBOL INDICATING ACCESS.] *Subdivision 1. [STATEMENT OF POLICY AND PURPOSE.] The legislature finds that there is an urgent need to adopt an internationally accepted symbol to indicate buildings, facilities and grounds which are accessible to and usable by handicapped persons, that a wheelchair symbol has been adopted by Rehabilitation International's Eleventh World Congress, and that this symbol is universally recognized by handicapped persons.*

Subd. 2. [ADOPTION AND DISPLAY OF SYMBOL.] The symbol adopted by Rehabilitation International's Eleventh World Congress shall be the state symbol indicating buildings, facilities and grounds which are accessible to and usable by handicapped persons. In the interests of uniformity, this symbol in its white on blue format shall be the sole symbol for display in or on all public or private buildings, facilities and grounds which qualify for its use. The secretary of state shall obtain and keep on file the symbol. No building, facility or grounds shall display the symbol unless it is in compliance with the rules promulgated by the commissioner of administration as provided for by subdivision 3 of this section.

Subd. 3. [RULES GOVERNING DISPLAY OF SYMBOL.] The commissioner of administration shall promulgate rules to govern display of the state symbol of accessibility. Before the rules are proposed for adoption the commissioner shall consult with the state council for the handicapped.

The rules shall be enforced in the same manner as provisions of the state building code, but shall be applicable to all buildings, facilities or grounds in the state.

The commissioner shall implement this subdivision so that the rules required by this subdivision are effective no later than December 31, 1978."

Page 2, line 14, strike "1976" and insert ", 1977 Supplement"

Page 3, line 9, delete the underline

Page 3, after line 9 insert:

"(7) To advise the workers' compensation division of the department of labor and industry and the Workers' Compensation Court of Appeals as to the necessity and extent of any alteration

or remodeling of an existing residence or the building or purchase of a new or different residence which is proposed by a licensed architect under section 1 ; ”

Page 3, line 10, strike “(7)” and insert “(8)”

Page 3, strike lines 14 and 15

Page 3, delete lines 21 to 29

Page 3, line 32, delete “8” and insert “7”

Page 4, line 2, delete “(7)” and insert “(8)”

Page 4, delete line 5 after the period

Page 4, delete line 6

Page 4, line 7, delete “register.”

Pages 4 and 5, delete all of section 5

Page 5, after line 17, insert:

“Sec. 5. [REPEALER.] *Minnesota Statutes 1976, Section 299G.12, is repealed.*”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete “council” and insert “commissioner of administration”

Page 1, line 10, delete “Sections” and insert “Section”

Page 1, line 11, delete “Subdivision 5, and ”

Page 1, line 12, delete “subdivisions” and insert “a subdivision”

Page 1, line 12, delete “299G.12;” and insert “Minnesota Statutes, 1977 Supplement, Section 256.48, Subdivision 5;”

Page 1, line 12, delete “a”

Page 1, line 13, delete “section” and insert “sections; repealing Minnesota Statutes 1976, Section 299G.12”

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S. F. No. 1639: A bill for an act relating to highways; designating the Hubert H. Humphrey Highway; amending Minnesota Statutes 1976, Section 161.14, Subdivision 13, and by adding a subdivision.

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

Page 1, line 11, strike “Routes” and insert “Route”

Page 1, line 11, strike “390,”

Page 1, line 11, after "392" strike the comma

Page 1, line 11, strike "and 395"

Page 1, line 12, strike "are" and insert "is"

Page 1, line 17, strike "routes" and insert "route"

Page 1, line 21, strike "Route No." and insert "Routes numbered"

Page 1, line 21, before "394" insert "390, 392,"

Page 1, line 21, after "394" strike the comma and insert "and 395"

Page 1, line 21, strike "marked as I-35W,"

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S. F. No. 1777: A bill for an act relating to motor vehicles; providing for handicapped license plates on passenger vehicles; establishing motorized bicycle operator permit fees; prohibiting operation of motor vehicles during periods of license cancellation, suspension or revocation; removing certain restrictions relating to issuance of a limited license; amending Minnesota Statutes, 1976, Sections 171.20, Subdivision 2; 171.24; and 171.30, Subdivision 1; and Minnesota Statutes, 1977 Supplement, Sections 168.021, Subdivision 1; and 171.02, Subdivision 3.

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

Page 2, line 9, strike "operator's" and insert "operator"

Page 2, strike lines 16 to 25 and insert:

"The fees and expiration dates for motorized bicycle operator permits shall be as follows:

(a) Original permit, including examination, \$2.50; valid for one year.

(b) Renewal permit for persons under the age of 18, \$3; valid until eighteenth birthday.

(c) Renewal permit for persons 18 years of age and older, \$5; expires in the same manner as a driver license.

(d) Duplicate of any permit, \$1.50."

Page 3, line 2, strike "such a" and insert "that"

Page 3, line 3, strike "such" and insert "that"

Page 3, line 11, strike "disobeys such order by operating" and insert "operates"

Page 3, line 13, strike "such" and insert "his"

- Page 3, line 17, strike "such" and insert "the"
- Page 3, line 24, after "169.123" insert ", 169.127"
- Page 3, line 26, strike "at his own discretion"
- Page 3, line 27, strike "shall"
- Page 3, line 28, after "convicted" insert "of an offense" and after the comma insert "shall"
- Page 3, line 29, strike "such" and insert "the"
- Page 4, line 4, after "issuing" strike "such" and insert "a" and after "impose" strike "such" and insert "the"
- Page 4, line 5, strike "limitations as" and insert "limitation which"
- Page 4, line 7, strike "as to" and insert "of"
- Page 4, line 9, strike "Such" and insert "The"
- Page 4, line 10, strike the comma and insert "and"
- Page 4, line 11, strike "and to particular conditions of traffic"
- Page 4, line 14, after "under" strike "such" and insert "a" and after "have" strike "such" and insert "the"
- Page 4, line 19, strike everything after "driver"
- Page 4, line 20, strike "driver annually"
- Page 4, after line 20, insert:
"Sec. 6. [REPEALER.] *Minnesota Statutes 1976, Section 169.127, Subdivision 5, is repealed.*"
- Renumber the remaining section
- Amend the title as follows:
- Page 1, line 12, before the period insert "; repealing Minnesota Statutes 1976, Section 169.127, Subdivision 5"
- And when so amended the bill do pass. Amendments adopted. Report adopted.

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

S. F. No. 1073: A bill for an act relating to corrections; establishing a facility for the care and treatment of inmates of correctional institutions who become mentally ill; providing for their commitment and detention for treatment; appropriating money.

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

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

S. F. No. 1006: A bill for an act relating to ethics in government; amending provisions concerning ethical practices board

procedures, lobbyist activities and registration, economic interest disclosure, campaign finance disclosure, limitations on political contributions and expenditures and distribution of money from the state elections campaign fund; imposing late filing fees and other penalties; amending Minnesota Statutes 1976, Chapter 10A, by adding a section; and Sections 10A.01, Subdivisions 2, 5, 7, 9, 10, 13, 18, and by adding subdivisions; 10A.02, Subdivisions 4 and 11, and by adding a subdivision; 10A.03, Subdivision 1, and by adding a subdivision; 10A.04, Subdivisions 2 and 5; 10A.08; 10A.09, Subdivisions 5, 6 and 7; 10A.10; 10A.11, Subdivision 6; 10A.12, Subdivisions 4 and 5; 10A.13; 10A.14, Subdivisions 1, 2 and 4; 10A.15, Subdivisions 2 and 3; 10A.17, Subdivisions 2 and 5; 10A.19, Subdivision 1; 10A.20, Subdivisions 2, 3, 4, 6, 8 and 12, and by adding a subdivision; 10A.21, Subdivisions 1 and 3; 10A.22, Subdivision 7, and by adding a subdivision; 10A.24; 10A.25, Subdivisions 1, 2, 3, 5, 6 and 7, and by adding subdivisions; 10A.26; 10A.27, Subdivisions 1, 2, and 4, and by adding subdivisions; 10A.28; 10A.29; 10A.31, Subdivisions 1, 3, 3a, 5, and 6, and by adding a subdivision; 10A.32, Subdivisions 1, 2, 3, 3a and 4, and by adding subdivisions; 10A.33; 10A.34 by adding a subdivision; 290.06, Subdivision 11; and 290.21, by adding a subdivision; Minnesota Statutes, 1977 Supplement, Section 10A.20, Subdivision 10; and repealing Minnesota Statutes 1976, Sections 10A.09, Subdivision 4; 10A.20, Subdivision 9; 10A.25, Subdivisions 4 and 8; and 10A.27, Subdivision 3.

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

Page 30, line 30, strike "77" and insert "79"

Page 35, after line 30, insert:

"Sec. 65. Minnesota Statutes 1976, Section 10A.30, Subdivision 1, is amended to read:

10A.30 [STATE ELECTIONS CAMPAIGN FUND.] Subdivision 1. There is hereby established an account within the general *special revenue* fund of the state to be known as the "state elections campaign fund."

Page 37, after line 5, insert:

"Sec. 69. Minnesota Statutes 1976, Section 10A.31, Subdivision 4, is amended to read:

Subd. 4. All moneys *The amounts* designated by individual taxpayers for the state elections campaign fund *are appropriated from the general fund* and shall be credited to the appropriate account in the general *state elections campaign* fund of the state and ~~shall be~~ *are* annually appropriated for distribution as set forth in subdivisions 5, 6 and 7."

Page 37, line 8, strike "the moneys in each"

Page 37, line 9, strike "party account and" and insert "*all money in*"

Page 37, line 9, after "account" insert "*and that money in*"

each party account allocated by taxpayers who can be identified by state senate and house district"

Page 37, line 32, strike "of" and insert "in"

Page 38, line 1, strike "legislative" and insert "senate or house"

Page 38, line 2, strike "statewide" and insert "by taxpayers in all senate or house districts"

Page 38, line 9, after the period insert "Any money in a party account allocated by taxpayers who cannot be identified by state senate and house districts shall be distributed to the statewide candidates of that party in proportion to their shares as provided in this subdivision."

Page 39, line 4, strike "and" and insert a comma

Page 39, line 6, before the period insert "and the amount in each party account which is allocated by taxpayers who cannot be identified by state senate and house districts"

Page 45, line 12, strike "Effective for taxable years commencing after"

Page 45, line 13, strike "December 31, 1973,"

Page 45, line 26, strike "77" and insert "79"

Page 45, line 31, strike "Laws 1974, Chapter 470" and insert "this subdivision"

Page 46, after line 19, insert

"Sec. 85. [APPROPRIATION.] *Subdivision 1. The sum of \$20,000 is appropriated from the general fund to the ethical practices board to implement the provisions of this act and shall be available for expenditure until June 30, 1979.*

Subd. 2. The sum of \$25,000 is appropriated from the general fund to the department of revenue to develop and implement a system for identification by state senate and house district of taxpayers allocating money to each party account in the state elections campaign fund. This appropriation is available until June 30, 1979."

Page 46, line 24, before "This" insert: "Sections 80 and 81 are effective for taxable years commencing after December 31, 1977; provided that no voucher shall be required to claim a tax credit for any contribution made before the effective date of this act. The remaining sections of"

Page 46, line 24, strike "is" and insert "are"

Renumber the sections in sequence

Amend the title as follows:

Line 9, after the semicolon, insert "appropriating money"

Line 27, after "10A.29;" insert "10A.30, Subdivision 1,"

Line 28, after "3a," insert "4,"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 350: A bill for an act relating to elections; establishing a local government election day for election of county, city and school district officers, county and municipal judges and officers of all other political subdivisions except towns; requiring uniform and coordinated election precincts and polling places for municipalities and school districts; integrating municipal and school district election laws with laws applicable to other elections; providing state reimbursement for the costs of administration of the election held on the local government election day; superseding certain inconsistent general and special laws and home rule charter provisions; amending Minnesota Statutes 1976, Chapters 204A, by adding a section; 205, by adding sections; and 210A, by adding a section; and Sections 40.05, Subdivisions 1, 3 and 4; 40.06, Subdivision 1; 122.23, Subdivisions 12, 17, and 18; 122.25, Subdivision 2; 122.26, Subdivisions 4, 5, and 22; 123.12, Subdivisions 1 and 5; 123.32, Subdivisions 9, 13 and 23; 123.33, Subdivisions 1 and 4; 123.34, Subdivision 1; 123.351, Subdivisions 1 and 3; 123.51; 128.01; 200.02, Subdivisions 1, 8, 24, and by adding subdivisions; 201.071, by adding a subdivision; 202A.26, Subdivision 1; 202A.52; 203A.17; 203A.31, Subdivision 1; 203A.32; 204A.05, Subdivision 1; 204A.06, by adding a subdivision; 204A.09, Subdivision 1; 204A.11, Subdivision 3, and by adding a subdivision; 204A.29; 204A.40, Subdivision 2; 204A.45, Subdivision 1; 204A.47, Subdivision 2; 204A.49, by adding a subdivision; 204A.51, Subdivision 2; 204A.53, Subdivision 1; 205.01; 205.021; 205.13; 205.14; 205.16, Subdivision 2; 206.09; 206.21, Subdivision 3; 207.04; 207.151; 209.02, Subdivisions 1 and 3; 365.51; 375.025, Subdivision 4; 375.03; 375.101, Subdivision 2; 375A.02, Subdivision 1; 375A.09, Subdivision 4; 382.01; 389.011, Subdivision 2; 397.06; 397.07; 398.04; 410.21; 412.02, Subdivision 2; 412.021, Subdivision 2; 412.571, Subdivision 5; 447.32, Subdivisions 1 and 2; 487.03, Subdivisions 2 and 5; 488A.021, Subdivision 3; and 488A.19, Subdivision 3; amending Minnesota Statutes, 1977 Supplement, Sections 201.071, Subdivisions 1 and 3; 207.02; 207.03, Subdivision 1; 207.05, Subdivision 1; repealing Minnesota Statutes 1976, Sections 123.015; 123.11, Subdivisions 2, 3, 4, 5 and 6; 123.32, Subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 11, 22, 24, 25, 26 and 27; 201.33; 205.02; 205.03; 205.07; 205.11; 205.18; 205.19; 205.20; 206.18; and 447.32, Subdivisions 3 and 4.

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

Page 13, line 17, strike "*The*"

Page 13, strike line 18

Page 13, line 19, strike "*of the ballots.*"

Page 16, line 6, after "DUTIES OF" insert "LOCAL ELECTION OFFICIALS AND THE"

Page 16, line 7, after "Subdivision 1." insert "[DUTIES OF OFFICIALS.] In order to effectively coordinate the various elections held on the local government election day all local election officials including county auditors, municipal clerks and clerks of school, hospital and other special purpose districts shall cooperate with one another and with the secretary of state in the manner required by the rules of the secretary of state adopted pursuant to subdivision 2.

Subd. 2."

Page 16, strike lines 17 to 20 and insert

"(b) requirements and procedures for preparation by county auditors and municipal clerks of precinct maps or precinct finders that indicate the boundary and district number of each school district and each school district election district in the precinct and that enable the judges in any precinct with more than one district to determine the district in which any voter residing in the precinct is entitled to vote;"

Page 16, line 25, strike "7 and 9" and insert "8 and 10"

Page 16, line 32, strike "2" and insert "3"

Page 21, after line 3, insert

"Sec. 7. Minnesota Statutes, 1977 Supplement, Section 201.061, Subdivision 6, is amended to read:

Subd. 6. Each eligible voter is entitled to vote only in the one precinct in which he resides. The judges of election in any election precinct may not receive the vote at any election of any person whose name is not registered in accordance with the provisions of Laws 1973, Chapter 676. The ~~auditor~~ *municipal clerk* shall supply the judges in each precinct with an accurate map ~~maps~~ or precinct ~~finder~~ of the precinct ~~finders~~ to assist them in determining the judges in each precinct to determine whether a newly registering voter is registering or voting in the proper precinct. ~~The county auditor shall furnish the maps or precinct finders to judges in unorganized territory in the county."~~

Page 26, after line 21, insert

"Sec. 17. Minnesota Statutes, 1977 Supplement, Section 204A-06, Subdivision 1b, is amended to read:

Subd. 1b. [PRECINCT BOUNDARIES; DESCRIPTION, MAPS.] The clerk shall file with the secretary of state and the state demographer in the state planning agency a map showing the correct boundaries of the precincts in the municipality and shall keep on file in his office for public inspection a copy of the map. At least 30 days before any change in a precinct or corporate boundary becomes effective, the clerk shall place on file for public inspection a map setting forth the revised precinct boundaries and forward copies to the secretary of state and the state demog-

rapher. For every election held in the municipality the clerk shall furnish copies of the appropriate precinct map to the election judges for each polling place sufficient copies of the precinct map or of a precinct finder prepared in accordance with the rules of the secretary of state."

Page 37, line 25, strike "At" and insert "For elections held on"

Page 37, line 28, strike "and canary ballots" and insert "The ballots or ballot labels"

Page 37, line 29, strike "first"

Page 37, line 29, before the comma insert "in the following order: municipal light orange ballots, canary ballots"

Page 37, line 29, strike "or light"

Page 37, line 30, strike "orange"

Page 37, line 30, strike "second"

Page 37, line 31, strike "third"

Page 45, after line 9, insert:

"Sec. 40. Laws 1978, Chapter 456, Section 1, Subdivision 4, is amended to read:

Subd. 4. [NOVEMBER ELECTION.] "November election" means

(a) the general election in even numbered years or (b) the first Tuesday after the first Monday in November of local government election day in odd numbered years."

Page 83, line 17, before the period insert ", effective July 1, 1978"

Page 85, after line 8 insert:

"(f) The term of any judge required to be elected on the local government election day is extended as provided in clause (d) (i), effective July 1, 1978."

Page 86, line 8, strike "\$" and insert "\$7,000"

Page 86, line 17, after "206.18;" strike "and"

Page 86, line 17, after "4" insert "; and Laws 1978, Chapter 456, Section 1, Subdivision 5"

Page 86, line 20, strike "7, 8, 9, 16 and 17" and insert "8, 9, 10, 18 and 19"

Page 86, line 22, strike "Article V,"

Page 86, strike line 23

Page 86, line 24, strike "1978."

Renumber the sections in sequence

Amend the title as follows:

Page 2, line 7, after "Sections" insert "201.061, Subdivision 6;"

Page 2, line 7, before "207.02" insert "204A.06, Subdivision 1b;"

Page 2, line 9, before "repealing" insert "Laws 1978, Chapter 456, Section 1, Subdivision 4;"

Page 2, line 14, before "447.32" strike "and"

Page 2, line 14, before the period insert "; and Laws 1978, Chapter 456, Section 1, Subdivision 5"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 837: A bill for an act relating to appropriations; converting certain open appropriations of dedicated receipts to direct appropriations; abolishing other open appropriations of dedicated receipts; abolishing certain dedicated funds and accounts; appropriating money; amending Minnesota Statutes 1976, Sections 15.05; 15.052, Subdivision 7; 15A.083, Subdivision 1; 16.72, Subdivision 1; 16A.125, Subdivision 5; 18.411; 18.67; 34.07; 43.31; 69.031, Subdivision 3; 69.55; 84.153; 84.154, Subdivision 5; 84.155, Subdivision 6; 84.86, Subdivision 1; 86.42, Subdivision 1; 89.035; 89.036; 89.21; 93.283, Subdivision 7; 93.335, Subdivision 4; 94.48; 97.49, Subdivision 7; 115.03, Subdivision 1; 116.41, Subdivision 2; 136A.29, Subdivision 22; 136A.30; 144.175, Subdivision 4; 160.285, Subdivision 3; 163.051, Subdivision 2; 168.16; 168.54, Subdivision 5; 168A.31, Subdivision 1; 186.04; 192.68, Subdivision 2; 192A.645; 197.02; 197.03; 197.05; 197.06; 246.41, Subdivision 2; 270.077; 299F.21; and 344.03, Subdivision 2; repealing Minnesota Statutes 1976, Sections 1.38; 16A.125, Subdivision 6; 21.114; 33.10; 33.11; 33.12 to 33.15; 33.171; 86.42, Subdivision 2; 94.49; 161.231; 168.54, Subdivisions 2, 3 and 6; 168A.31, Subdivision 2; 190.28; 197.04; 197.07; 241.25; 246.41, Subdivisions 1 and 3; 360.389; 424.165; 458.50 to 458.60; 626.85, Subdivision 2; and Laws 1961, Chapter 472, Section 4, as added.

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

Page 2, delete all of section 2

Pages 2 and 3, delete all of section 3

Pages 3 to 5, delete all of section 5

Page 7, delete all of section 9

Pages 27 and 28, delete all of section 31

Page 29, delete all of section 34

Page 37, line 3, after "3;" insert "290.60,"

Page 37, line 17, delete "*indicated for*"

Page 37, delete lines 18 to 20

Page 37, line 21, delete "June 30, 1978, or"		
Page 37, line 21, delete ", respectively"		
Page 37, delete lines 23 to 25		
Page 37, line 26, delete the first "\$"		
Page 37, delete lines 27 to 32		
Page 38, delete lines 1 to 3		
Page 38, line 6, delete and insert	"4,500,000	5,175,000" "5,100,000"
Page 38, line 8, delete and insert	"8,500,000	10,200,000" "9,600,000"
Page 38, line 10, delete and insert	"610,000	701,000" "680,000"
Page 38, delete lines 13 to 15		
Renumber the subdivisions		
Page 38, line 18, delete the first "64,000"		
Page 38, line 20, delete and insert	"270,000	270,000" "200,000"
Page 38, line 24, delete the first "68,000"		
Page 38, line 27, delete and insert	"6,309,000	6,355,000" "1,000,000"
Page 38, line 30, delete and insert	"9,000	9,000" "20,000"
Page 39, line 5, delete and insert	"32,318	33,608" "36,108"
Page 39, line 8, delete the first "15,150"		
Page 39, line 11, delete and insert	"70,000	70,000" "80,000"
Page 39, line 17, delete and insert	"1,713,639	1,742,815" "1,969,640"
Page 39, delete lines 18 to 25		
Page 39, lines 27 and 28, delete "Section 2 of this act is effective July 1, 1978."		
Page 39, line 29, delete "1977" and insert "1978"		
Renumber the sections in sequence		
Amend the title as follows:		
Line 8, delete "15.052, Subdivision 7;"		
Line 9, delete "15A.083, Subdivision 1;"		
Line 10, delete "16A.125, Subdivision 5;"		

Line 11, delete "43.31;"

Line 19, delete "168.16;"

Line 20, delete "186.04;"

Line 29, after "3;" insert "290.60;"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 838: A bill for an act relating to appropriations; converting certain standing appropriations to direct appropriations; abolishing other standing appropriations; appropriating money; amending Minnesota Statutes 1976, Sections 9.061, Subdivision 5; 97.482, Subdivision 2; 638.08; and Laws 1971, Chapter 121, Section 2, as amended; repealing Minnesota Statutes 1976, Sections 7.07; and 144.146, Subdivision 2.

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

Pages 2 and 3, delete all of section 4

Page 3, delete lines 13 to 15

Page 3, line 16, delete "June 30, 1978, or"

Page 3, line 16, delete ", respectively"

Page 3, delete lines 18 to 20

Page 3, line 21, delete the first "\$"

Page 3, line 24, delete the first "2,000,000"

Page 3, line 27, delete "(a)"

Page 3, line 28, delete the first "15,000"

Page 3, delete lines 31 and 32

Page 4, delete lines 1 to 4

Renumber the sections in sequence

Amend the title as follows:

Line 7, before "638.08" insert "and"

Line 7, delete "and Laws 1971, Chapter 121,"

Line 8, delete "Section 2, as amended;"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 839: A bill for an act relating to appropriations; converting certain open appropriations for retirement to direct ap-

appropriations; abolishing other open appropriations for retirement; appropriating money; amending Minnesota Statutes 1976, Sections 3A.03, Subdivision 2; 3A.04, Subdivisions 3 and 4; 136.81, Subdivision 1; 352.04, Subdivision 5; 352B.25; 352C.03, Subdivision 2; 352C.04, Subdivision 3; 352C.09, Subdivision 2; 353.83; 354.55, Subdivision 5; 354A.12; 355.46, Subdivision 3; 355.50; 490.123, Subdivision 1; Chapter 16A, by adding a section; repealing Minnesota Statutes 1976, Sections 3A.11, Subdivision 3; 352.73, Subdivision 4; 354.43, Subdivision 2; and 490.025, Subdivision 8.

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

Page 3, line 10, before "is" insert "*or for social security contributions pursuant to section 355.46.*"

Page 5, after line 24, insert:

"Sec. 7. Minnesota Statutes 1976, Section 352.73, Subdivision 3, is amended to read:

Subd. 3. The supplemental benefit herein provided is for the purpose of relief in the present inflationary period and is not an increase in the amount of the annuity or retirement allowance such retired state employee receives from the state employees retirement fund. This supplemental benefit is not a vested right and the legislature reserves the power to withdraw, abolish, or modify it in any way. The benefits herein provided for shall be administered by the director of the Minnesota state employees retirement system. These supplemental benefits shall be paid in the same manner and at the same time annuities and retirement allowances are paid and, for the purpose of economy, such benefits may be included in the warrants on which the annuities are paid. *Money certified by the director to the commissioner of finance as needed to meet the state's obligations to the state employees retirement fund shall be transferred to the fund at least once a month.*"

Page 15, line 15, at the end of the line insert:

"Money certified by the executive director of the Minnesota state retirement system to the commissioner of finance as needed to meet the state's obligations to the judges' retirement fund shall be transferred to the fund at least once a month."

Page 15, line 23, delete "*indicated for*"

Page 15, delete lines 24 to 26

Page 15, line 27, delete "*June 30, 1978, or*"

Page 15, line 27, delete "*, respectively*"

Page 15, delete lines 29 to 31

Page 15, line 32, delete the first "\$"

Page 16, line 8, delete "*481,698*"

Page 16, line 11, delete "*85,000*"

Page 16, delete lines 12 to 17

Page 16, line 23, delete "55,852"

Page 16, line 26, delete "576,396"

Page 16, delete lines 27 to 31

Page 17, line 7, delete "1,282,000"

Page 17, line 10, delete "54,879,535" 58,094,574"
and insert "62,587,588"

Page 17, line 13, delete "15,600,000"

Page 17, after line 13, insert:

"Sec. 22. COMMISSIONER OF PERSONNEL"

Page 17, line 14, delete "Subd. 4."

Page 17, line 17, delete "42,000,000" 46,300,000"
and insert "48,300,000"

Page 17, delete lines 18 to 32

Page 18, delete lines 1 to 5

Page 18, line 9, delete "73,500"

Page 18, delete lines 10 and 11

Renumber the sections in sequence

Amend the title in line 8 after "5;" by inserting "352.73, Sub-division 3;"

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

Mr. Moe from the Committee on Finance to which was referred

S. F. No. 1021: A bill for an act relating to natural resources; recodifying statutes relating to certain conservation areas; abolishing consolidated conservation areas fund; repealing obsolete provisions; appropriating money; amending Minnesota Statutes 1976, Sections 84A.01; 84A.03; 84A.07; 84A.10; 84A.51, Subdivision 4; 84A.52; 84A.53; 84A.55, Subdivisions 1, 3, 6, 8, 9, 10, 11, and 12; 281.23, Subdivision 8; 282.14; 282.16, Subdivision 1, and by adding subdivisions; 282.19; 282.21; and Laws 1961, Chapter 612, Section 1; repealing Minnesota Statutes 1976, Sections 84A.02; 84A.04; 84A.08; 84A.09; 84A.11; 84A.20 to 84A.23; 84A.26 to 84A.33; 84A.36 to 84A.42; 84A.50; 84A.51, Subdivisions 1, 2, and 3; 84A.54; 84A.55, Subdivision 14; and 282.221 to 282.226.

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

Page 16, lines 24 and 25, delete "sums set forth in this section are" and insert "sum of \$312,988 is"

Page 16, line 29, delete "in the years" and insert ", 1979."

Page 16, delete lines 30 to 32

Page 17, delete section 27

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

Mr. Perpich from the Committee on Health, Welfare and Corrections to which was referred

S. F. No. 1685: A bill for an act relating to health; providing for review of certain health care planning; requiring certificates of need for construction or modifications of certain health care facilities and services; amending Minnesota Statutes 1976, Sections 145.71, Subdivision 1; 145.72; 145.73; 145.74; 145.75; 145.751; 145.76, Subdivisions 1 and 2; 145.761; 145.77; 145.78; 145.79; 145.80; 145.83; and Chapter 145, by adding sections.

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

Page 2, line 10, strike "*nursing home*" and insert "*long term care*"

Page 2, lines 13 and 16, after "*facilities*" insert "*and health maintenance organizations*"

Page 3, line 14, before "*Requires*" insert "*Is a single undertaking, the parts of which are functionally interdependent and which*"

Page 3, line 24, strike "*five*" and insert "*ten*" both times it appears

Page 3, line 25, strike "." and insert "*which increases the bed complement of the facility or distributes beds among various licensing categories or sites,*"

Page 3, strike lines 26 to 28

Page 3, strike lines 29 to 32 and insert:

"(b) Any expansion or extension of the scope or type of service rendered by a health care facility which requires a capital expenditure in excess of \$75,000;"

Page 4, strike lines 1 to 21

Page 4, line 22, after "*facility*" insert "*or health maintenance organization*"

Page 4, lines 24 and 29 strike "*home health agency*"

Page 5, lines 5 to 11, strike the new language and reinstate the stricken language

Page 5, line 9, strike "*state board*" and insert "*commissioner*"

Page 5, lines 16 and 23, strike "*or home health agency*"

Page 6, lines 22 to 30, strike all of subdivision 8 and renumber the subdivisions in sequence

Page 6, line 32, strike “, home health”

Page 7, line 1, strike “agency”

Page 7, line 18, strike “OF CONSTRUCTION”

Page 7, lines 19 to 20, strike “, home health agency”

Page 7, line 23, strike “state planning agency” and insert “commissioner of health”

Page 7, line 24, after “define” insert “the” and after “of” insert “a”

Page 7, line 25, before the period, insert “or modification”

Page 7, line 29, strike “state planning agency” and insert “commissioner of health”

Page 7, line 29, strike “, subject to”

Page 7, strike line 30 and line 31 before “promulgate”

Page 8, strike line 15 and renumber the clauses in sequence

Page 9, strike line 5 after “The”

Page 9, line 6, strike “sections 15.0411 to 15.052,” and insert “commissioner of health”

Page 9, lines 6 and 7, strike “, after consulting with”

Page 9, lines 9 and 10, strike “the commissioner of health,”

Page 9, line 11, before the period, insert “pursuant to sections 145.71 and 145.83”

Page 9, line 13, strike “factors” and insert “criteria”

Page 9, line 15, strike the new language

Page 9, line 26, strike “overall plans for the development of” and insert “the health systems plan for”

Page 10, after line 4, insert:

“(h) The special needs of small rural communities for health care services and facilities;”

Page 10, line 5, strike “h” and insert “i”

Page 10, line 12, strike “i” and insert “j”

Page 10, line 14, strike “and”

Page 10, strike lines 15 to 17 and insert:

“(k) The special needs of programs or services that have the potential for the development of alternative methods of delivering health care;

(l) The special needs of hospitals to convert excess hospital beds to long term care or other alternate functions; and

(m) The compliance by the health care facility or health maintenance organization with state and federal standards.”

Page 10, lines 18 to 19, strike “, home health agency”

Page 10, line 30, strike “ample”

Page 11, line 2, strike the comma and insert “or”

Page 11, lines 2 and 3, strike “or equipment”

Page 11, line 10, strike “and shall receive expedited”

Page 11, strike line 11

Page 11, line 12, strike “section 145.78”

Page 11, strike line 24 after “care”

Page 11, strike line 25

Page 11, line 26, strike “agencies” and “and”

Page 11, line 27, strike “Proposals which are granted” and insert “Requests for”

Page 11, line 28, strike the period and insert “; and”

Page 11, after line 28, insert:

“(f) *Proposals which pertain to amendments of certificate of need which have not expired.*”

Page 11, line 31, strike “, home health agencies”

Page 12, line 3, before “The” insert “Subdivision 1.”

Page 12, strike lines 15 to 21 and insert:

“(d) *Evaluate the existence of unused capacity, if any, and the development of alternative ways to determine what portion of that unused capacity is excessive.*

In the determination of appropriate methods to reduce excess capacity, the following criteria shall be addressed:

(1) *the problem of unemployment including unemployment compensation,*

(2) *the total range of cost factors involved in the reduction of capacity, including the estimated costs which may be saved by a reduction in unused capacity,*

(3) *the special problems of small and geographically remote communities, including the social and economic impact on the community,*

(4) *alternative sources of care,*

(5) *loss of health care providers as a result of the closing of a health facility or service,*

(6) *accessibility of care,*

(7) *quality of care.”*

Page 12, line 22, before “The” insert “Subd. 2 [ANNUAL REPORT.]”

Page 12, line 22, strike "*state*" and insert "*health systems*" and strike "*planning*"

Page 12, line 23, after "*agency*" strike the remaining language

Page 12, line 24, before "*shall*" strike the remaining language

Page 12, line 25, before "*to*" insert "*and submit its annual implementation plan and health systems plan*"

Page 12, line 26, strike "*in accordance with section 3.195*"

Page 12, line 31, strike "*home health agency,*"

Page 13, line 2, strike "*, home health agency*"

Page 13, line 31, strike "*60*" and insert "*30*"

Page 14, lines 15 to 32, strike the new language and reinstate the stricken language

Page 14, lines 18, 24 to 25, and 26, strike "*area wide comprehensive*"

Page 14, lines 18, 25 and 27, strike "*planning*" and insert "*systems*"

Page 14, lines 19, 20, 28 and 31, strike "*state board*" and insert "*commissioner*"

Page 14, line 25, strike "*board*" and insert "*commissioner*"

Page 15, lines 1 to 4, strike the new language and reinstate the stricken language

Page 15, lines 8 and 9, strike "*meeting the requirements of section 145.72, subdivision 3,*"

Page 15, line 9, before "*may*" insert "*for construction or modification*"

Page 15, line 14, strike everything after "*(a)*"

Page 15, strike lines 15 to 19 and insert:

"The proposal is for construction or modification made necessary solely by federal or state law or regulation;"

Page 15, line 20, strike everything after "*(b)*" and strike lines 21 to 23.

Page 15, line 24, strike everything before the period and insert:

"The proposal involves only projects not related to direct patient care"

Page 15, line 25, after "*The*" strike the remaining language

Page 15, line 26, strike "*and the health systems agencies,*"

Page 15, line 27, strike "*by rule*"

Page 15, lines 27 and 28, strike "*by the commissioner of health*"

Page 15, line 28, strike "*it deems*" and insert "*determined by rule which are*"

Page 16, line 11, strike "60" and insert "30"

Page 16, line 12, strike "request" and insert "recommendation of the health service agency"

Page 16, line 15, strike ", home health agency"

Page 16, strike line 22 after "STANDARDS.]"

Page 16, strike lines 23 to 32 and insert "Except where a waiver has been granted pursuant to section 145.761, an expedited review may be permitted for a proposal:

(a) Where the provision of a new institutional health service as provided in section 145.72, subdivision 3, paragraph (d) would require a capital expenditure of less than \$150,000;

(b) Where an expenditure is made necessary solely by federal or state law or regulation;

(c) Where an emergency expenditure is necessary for the replacement of facilities or equipment without which the operation of the health care facility and well-being of the patient would be jeopardized;

(d) Where the proposal involves projects not related to direct patient care;

(e) Where the proposal is part of a long-range plan approved pursuant to section 19;

(f) Where the proposal is for the replacement of existing equipment and services, and does not substantially change the scope of the services offered;

(g) Where the certificate of need has expired and the proposal has not been modified except as provided for in section 14;

(h) For a permanent change in bed capacity which distributes beds among various categories by more than ten beds or more than ten percent of total bed capacity and which involves a capital expenditure of less than \$150,000;

(i) For predevelopment activity;

(j) Under other conditions which the commissioner deems to warrant expedited review."

Page 17, strike lines 1 to 13

Page 17, lines 17 to 18, strike ", home health agency"

Page 17, line 23, strike "requests" and insert "request"

Page 17, line 25, after "from" insert "the commissioner of health, health systems agency or" and after "any" insert "other"

Page 17, strike lines 26 and 27

Page 17, line 28, strike "delivery"

Page 17, after line 31, insert a subdivision to read:

"Subd. 3. [PROCEDURES AND CRITERIA.] *The commissioner of health shall establish by rule procedures and criteria for expedited reviews pursuant to this section.*"

Page 18, lines 18 to 19 and 20 to 21, strike ", home health agency"

Page 20, line 21, after "recommendation" insert "in writing"

Page 20, line 22, before the period, insert "including written comments on all review criteria provided in section 145.75"

Page 20, lines 31 to 32, strike ", home health agencies"

Page 21, line 6, strike "or condition"

Page 21, lines 7 and 9, delete "or conditioning"

Page 21, lines 10 and 18, strike ", home health agency"

Page 21, strike all of section 16

Page 22, line 9, strike "application for a"

Page 22, after line 23, insert a new section to read:

"Sec. 17. Minnesota Statutes 1976, Chapter 145, is amended by adding a section to read:

[145.791] [FACILITIES IN VIOLATION OF OTHER STATE LAW.] *A health systems agency may recommend denial of a certificate of need and the commissioner of health may deny a certificate of need to a health care facility if the facility, any of its employees, or controlling persons are found not to be in compliance with sections 144.50 to 144.653 or section 144A.11. For the purpose of a nursing home, this section shall only apply to violations of section 144A.11. This section shall not apply to proposals which are intended to correct the cause of the violations.*"

Page 22, strike lines 26 to 32 and insert:

"[145.795] [MONITORING.] *The commissioner of health shall by rule require health care facilities and health maintenance organizations upon completion of a project for which a certificate of need was issued to furnish financial information which compares actual costs of a project with those estimated costs used in the application for a certificate. The commissioner may also in those cases where the actual costs exceeded estimated costs by more than fifteen percent convene a public hearing to consider the justification for the discrepancy. In addition the commissioner may comment on the effect of the discrepancy between actual and estimated costs of projects as such information relates to the reasonableness of rates charged patients or third-party payors pursuant to sections 144.695 to 144.703.*"

Page 23, strike lines 1 to 17

Page 23, line 27, strike ", home health agency"

Page 24, lines 10 and 13, strike ", home health agency"

Pages 24 and 25, strike all of sections 21 and 22

Page 25, line 8, strike "STATE PLANNING AGENCY" and insert "COMMISSIONER OF HEALTH"

Page 25, line 9, strike "state planning officer" and insert "commissioner of health"

Page 25, line 10, strike "commissioner of health" and insert "state planning officer and the state health advisory council created pursuant to section 144.011, subdivision 2"

Page 25, line 12, delete "state planning agency" and insert "commissioner of health"

Page 25, line 13, after the period, insert "All rules heretofore promulgated by the state planning agency pursuant to sections 145.71 to 145.83 shall remain in full force and effect until modified or repealed."

Page 25, after line 13, insert a section to read:

Sec. 21. [UNCODED.] [SIX-YEAR REVIEW.] *On November 15, 1982, the commissioner of health shall report to the legislature on the continued need for sections 145.71 to 145.83. The report shall be based upon an evaluation of certificate of need which considers the following:*

- (a) *continued public need,*
- (b) *effectiveness in meeting the purposes stated in section 1,*
- (c) *whether institutional planning, health service area planning and state health planning are being aided by certificate of need review,*
- (d) *a cost-benefit analysis of the program (including both cost to applicant and cost to the certificate of need agency),*
- (e) *federal statutory requirements,*
- (f) *alternative approaches to achieve purposes in section 1,*
- (g) *recommendations for state statutory changes."*

Page 25, line 15, after the period insert "Section 18 shall expire on July 1, 1981."

Renumber the sections in sequence

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

Mr. Anderson from the Committee on Energy and Housing, to which was referred

S. F. No. 1628: A bill for an act relating to taxation; property tax; providing for delay in increased valuation on certain rehabilitation projects.

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

Page 1, line 22, after "(a)" insert "the building is more than 25 years old; (b)"

Page 1, line 22, after "costs" insert ", which are those expenses incurred in the process of renovation, including labor, materials, and management costs,"

Page 2, line 2, strike "(b)" and insert "(c)"

Page 2, line 3, strike "(c)" and insert "(d)"

Page 2, line 4, after "units" insert "; provided, that a building used as a hotel or motel in which the rental units are used by tenants for rental periods of less than 30 days shall not qualify for this treatment"

Page 2, after line 16, insert:

"Subd. 5. Each assessor who grants the delayed assessment treatment provided in this section shall maintain records of the location and number of the buildings which qualify and the amount of value added by the rehabilitation. The governing body of each municipality in which qualifying property is located shall review that information and evaluate the impact of the program in the municipality, particularly with respect to its effect on the municipality's tax base and mill rate during the course of the program and at its completion. This review shall be completed within six months after the delayed assessment of all property subject to the provisions of this section in the municipality has terminated."

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

Mr. Coleman from the Subcommittee on Bill Scheduling, to which were referred

S. F. Nos. 1720, 1758, 1282, 1285, 1727, 1602, 438 and H. F. No. 1792 makes the following report:

That S. F. Nos. 1720, 1758, 1282, 1285, 1727, 1602, 438 and H. F. No. 1792 be placed on the General Orders Calendar in the order indicated.

That there were no other bills before the Subcommittee on which floor action was requested. Report adopted.

SECOND READING OF SENATE BILLS

S. F. Nos. 1589 and 1713 were read the second time.

S. F. Nos. 1754, 1765, 1637, 1635, 1446, 1777, 1073, 1006, 837, 838, 839, 1021 and 1685 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS

Mr. Dieterich moved that the names of Messrs. Chenoweth and Stumpf be added as co-authors to S. F. No. 1184. The motion prevailed.

Mr. Johnson moved that the name of Mr. Solon be stricken and the name of Mr. Chenoweth be added as co-author to S. F. No. 1574. The motion prevailed.

Mr. Schaaf moved that the names of Messrs. Keefe, S.; Olson and Luther be added as co-authors to S. F. No. 1656. The motion prevailed.

Mr. Strand moved that the name of Mr. Olhoff be added as co-author to S. F. No. 1700. The motion prevailed.

Mr. Humphrey moved that the name of Mr. Hughes be added as co-author to S. F. No. 1849. The motion prevailed.

Mr. Schmitz moved that the name of Mr. Nichols be added as co-author to S. F. No. 1856. The motion prevailed.

Mr. Sieloff moved that the name of Mr. Lessard be added as co-author to S. F. No. 1869. The motion prevailed.

Mr. Nelson moved that the name of Mr. Lessard be added as co-author to S. F. No. 1875. The motion prevailed.

Mr. Davies moved that the name of Mr. Sikorski be added as co-author to S. F. No. 1887. The motion prevailed.

Mr. Davies moved that the name of Mr. Sikorski be added as co-author to S. F. No. 1888. The motion prevailed.

Mr. Bernhagen moved that the name of Mr. Lessard be added as co-author to S. F. No. 1892. The motion prevailed.

Mr. Bernhagen moved that the name of Mr. Lessard be added as co-author to S. F. No. 1893. The motion prevailed.

Mr. Kleinbaum moved that the name of Mr. Lessard be added as co-author to S. F. No. 1858. The motion prevailed.

Mr. Ueland, A. moved that the name of Mr. Peterson be added as co-author to S. F. No. 1590. The motion prevailed.

Mr. Schmitz moved that the name of Mr. Willet be added as co-author to S. F. No. 1856. The motion prevailed.

Mr. Hughes moved that the report from the Committee on Education, reported February 2, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Hughes moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Hughes moved that in accordance with the report from the Committee on Education, reported February 2, 1978, the Senate, having given its advice, do now consent to and confirm the appointments of:

MINNESOTA HIGHER EDUCATION FACILITIES AUTHORITY

Bernard P. Friel, 750 Mohican Lane, Mendota Heights, Dakota County, effective May 17, 1977, for a term expiring the first Monday in January, 1983.

HIGHER EDUCATION COORDINATING BOARD

Dr. Geraldine Carter, 1706 Thomas Avenue, Minneapolis, Hennepin County, effective July 18, 1977, for a term expiring the first Monday in January, 1978.

Maxine Gaines, 191 Valleyside Drive, St. Paul, Ramsey County, effective July 18, 1977, for a term expiring the first Monday in January, 1978.

Verna Wood, 3208 Cedar Lane, Bemidji, Beltrami County, effective July 18, 1977, for a term expiring the first Monday in January, 1980.

The motion prevailed. So the appointments were confirmed.

Mr. Tennessen requested that the appointment of the Commissioner of the Department of Education be divided out. So the question was divided.

Mr. Coleman moved that the appointment of

**DEPARTMENT OF EDUCATION
COMMISSIONER**

Howard B. Casmey, 7519 Harold Avenue, Minneapolis, Hennepin County, effective August 1, 1977, for a term expiring the first Monday in January, 1979.

Be laid on the table. The motion prevailed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Laufenburger moved that the report from the Committee on Employment, reported February 2, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Laufenburger moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Laufenburger moved that in accordance with the report from the Committee on Employment, reported February 2, 1978, the Senate, having given its advice, do now consent to and confirm the appointment of:

OCCUPATIONAL SAFETY AND HEALTH REVIEW BOARD

Fred Cina, 16 West 3rd Avenue North, Aurora, St. Louis County, effective August 1, 1977, for a term expiring January 2, 1979.

The motion prevailed. So the appointment was confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Olson moved that the report from the Committee on General Legislation and Veterans Affairs, reported February 2, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Olson moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Olson moved that in accordance with the report from the Committee on General Legislation and Veterans Affairs, reported

February 2, 1978, the Senate, having given its advice, do now consent to and confirm the appointments of:

STATE ZOOLOGICAL BOARD

Connie DeLand, 112 West 52nd Street, Minneapolis, Hennepin County, effective May 4, 1977, for a term expiring the first Monday in January, 1979.

Sandra Day Stokesbary, 4203 Wentworth Avenue South, Minneapolis, Hennepin County, effective May 4, 1977, for a term expiring the first Monday in January, 1980.

Adolph Tobler, 915 Edmund Avenue, St. Paul, Ramsey County, effective May 4, 1977, for a term expiring the first Monday in January, 1980.

Jerome Wagner, 3939 Seventh Avenue North, Anoka, Anoka County, effective May 4, 1977, for a term expiring the first Monday in January, 1980.

The motion prevailed. So the appointments were confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Anderson moved that the report from the Committee on Energy and Housing, reported February 2, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Anderson moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Anderson moved that in accordance with the report from the Committee on Energy and Housing, reported February 2, 1978, the Senate, having given its advice, do now consent to and confirm the appointments of:

MINNESOTA HOUSING FINANCE AGENCY

Carmen Torgerson Del Castillo, 33 So. Syndicate, St. Paul, Ramsey County, effective November 21, 1977, for a term expiring the first Monday in January, 1979.

Demetrius Jelatis, 1161 Oak Street, Red Wing, Goodhue County, effective January 1, 1977, for a term expiring the first Monday in January, 1981.

James Price, 828 North 11th Avenue East, Duluth, St. Louis County, effective January 3, 1977, for a term expiring the first Monday in January, 1981.

The motion prevailed. So the appointments were confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Willet moved that the report from the Committee on Agriculture and Natural Resources, reported February 2, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Willet moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Willet moved that in accordance with the report from the Committee on Agriculture and Natural Resources, reported February 2, 1978, the Senate, having given its advice, do now consent to and confirm the appointment of:

STATE SOIL AND WATER CONSERVATION BOARD

Marylyn Deneen, 831 West Nebraska Avenue, St. Paul, Ramsey County, effective July 1, 1977, for a term expiring January 1, 1979.

The motion prevailed. So the appointment was confirmed.

THIRD READING OF SENATE BILLS

S. F. No. 1607: A bill for an act relating to occupational safety and health; children under 16 not to be employed in occupations or places potentially injurious; amending Minnesota Statutes 1976, Section 182.09.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Hanson	McCutcheon	Purfeerst	Strand
Bang	Hughes	Menning	Renneke	Stumpf
Bernhagen	Johnson	Merriam	Schaaf	Tennessee
Brataas	Keefe, J.	Moe	Schmitz	Ueland, A.
Coleman	Kirchner	Nelson	Schrom	Ueland, J.
Davies	Kleinbaum	Nichols	Sieloff	Vega
Dieterich	Knaak	Ogdahl	Sikorski	Wegener
Dunn	Knoll	Olhoff	Sillers	Willet
Engler	Knutson	Olson	Solon	
Frederick	Laufenburger	Penny	Spear	
Gearty	Lessard	Peterson	Staples	
Gunderson	Luther	Pillsbury	Stokowski	

So the bill passed and its title was agreed to.

S. F. No. 1656: A bill for an act relating to parks; authorizing the use of certain appropriated money for the acquisition and development of recreation facilities for the handicapped at Islands of Peace park; amending Laws 1977, Chapter 352, Section 1.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Coleman	Gearty	Johnson	Knoll
Bang	Davies	Gunderson	Keefe, J.	Knutson
Bernhagen	Dieterich	Hanson	Keefe, S.	Laufenburger
Brataas	Engler	Hughes	Kleinbaum	Lessard
Chenoweth	Frederick	Humphrey	Knaak	Luther

McCutcheon	Ogdahl	Purfeerst	Solon	Tennessee
Menning	Olhoft	Schaaf	Spear	Ueland, A.
Merriam	Olson	Schmitz	Staples	Ulland, J.
Moe	Penny	Sieloff	Stokowski	Vega
Nelson	Peterson	Sikorski	Strand	Wegener
Nichols	Pillsbury	Sillers	Stumpf	Willet

So the bill passed and its title was agreed to.

S. F. No. 861: A bill for an act relating to public welfare; providing for allocation of fees collected by community mental health programs.

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:

Anderson	Gunderson	Laufenburger	Penny	Spear
Bang	Hanson	Lessard	Peterson	Staples
Bernhagen	Hughes	Luther	Pillsbury	Stokowski
Brataas	Humphrey	McCutcheon	Purfeerst	Strand
Chenoweth	Johnson	Menning	Renneke	Stumpf
Coleman	Keefe, J.	Merriam	Schaaf	Tennessee
Davies	Keefe, S.	Moe	Schmitz	Ueland, A.
Dieterich	Kirchner	Nelson	Schrom	Ulland, J.
Dunn	Kleinbaum	Nichols	Sieloff	Vega
Engler	Knaak	Ogdahl	Sikorski	Wegener
Frederick	Knoll	Olhoft	Sillers	Willet
Gearty	Knutson	Olson	Solon	

So the bill passed and its title was agreed to.

S. F. No. 1609: A bill for an act relating to elections; allowing post-election challenges to absent voters; changing election contest notice procedures and bond requirement; allowing county and municipal court judges to hear election contests; amending Minnesota Statutes 1976, Sections 204A.32, Subdivision 4; 209.02, Subdivisions 4 and 4a; and 209.06, Subdivision 2.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Gearty	Knutson	Olson	Solon
Bang	Gunderson	Laufenburger	Penny	Spear
Bernhagen	Hanson	Lessard	Peterson	Staples
Borden	Hughes	Luther	Pillsbury	Stokowski
Brataas	Humphrey	McCutcheon	Purfeerst	Strand
Chenoweth	Johnson	Menning	Renneke	Stumpf
Coleman	Keefe, J.	Merriam	Schaaf	Tennessee
Davies	Keefe, S.	Moe	Schmitz	Ueland, A.
Dieterich	Kirchner	Nelson	Schrom	Ulland, J.
Dunn	Kleinbaum	Nichols	Sieloff	Vega
Engler	Knaak	Ogdahl	Sikorski	Wegener
Frederick	Knoll	Olhoft	Sillers	Willet

So the bill passed and its title was agreed to.

S. F. No. 1425: A bill for an act relating to witnesses; exempting a registered nurse from testifying against a client; amending Minnesota Statutes 1976, Section 595.02.

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:

Anderson	Gearty	Knutson	Penny	Spear
Bang	Gunderson	Laufenburger	Peterson	Staples
Bernhagen	Hanson	Lessard	Pillsbury	Stokowski
Borden	Hughes	Luther	Purfeerst	Strand
Brataas	Humphrey	McCutcheon	Renneke	Stumpf
Chenoweth	Johnson	Menning	Schaaf	Tennessee
Coleman	Keefe, J.	Merriam	Schmitz	Ueland, A.
Davies	Keefe, S.	Moe	Schrom	Ulland, J.
Dieterich	Kirchner	Nelson	Sieloff	Vega
Dunn	Kleinbaum	Nichols	Sikorski	Wegener
Engler	Knaak	Olhoft	Sillers	Willet
Frederick	Knoll	Olson	Solon	

So the bill passed and its title was agreed to.

S. F. No. 1105: A bill for an act relating to civil actions; providing for authority for attorney to bind his client and execute a satisfaction of judgment; amending Minnesota Statutes 1976, Sections 481.08 and 548.15.

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 51 and nays 8, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knoll	Penny	Stokowski
Bang	Gearty	Knutson	Pillsbury	Stumpf
Bernhagen	Hanson	Luther	Purfeerst	Tennessee
Borden	Hughes	Menning	Renneke	Ueland, A.
Brataas	Humphrey	Merriam	Schaaf	Ulland, J.
Chenoweth	Johnson	Moe	Schmitz	Vega
Coleman	Keefe, J.	Nelson	Sieloff	Wegener
Davies	Keefe, S.	Nichols	Sillers	
Dieterich	Kirchner	Ogdahl	Solon	
Dunn	Kleinbaum	Olhoft	Spear	
Engler	Knaak	Olson	Staples	

Those who voted in the negative were:

Gunderson	Lessard	Peterson	Strand	Willet
Laufenburger	McCutcheon	Schrom		

So the bill passed and its title was agreed to.

S. F. No. 744: A bill for an act relating to elections; defining member of a political party; altering various provisions relating to publication of constitutional amendment explanation, ballots, judges, summary statements, canvasses and returns; amending Minnesota Statutes 1976, Chapter 204A, by adding a section;

and Sections 3.21; 200.02, by adding a subdivision; 204A.18, Subdivision 1; 204A.32, Subdivision 4; 204A.42, Subdivision 1; 204A.45, Subdivision 1; 204A.46, Subdivisions 1, 2, 3 and 4; 204A.47; and 204A.51, Subdivisions 2 and 3; repealing Minnesota Statutes 1976, Sections 204A.45, Subdivision 2; and 204A.48.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Gearty	Knutson	Olson	Solon
Bang	Gunderson	Laufenburger	Penny	Spear
Bernhagen	Hanson	Lessard	Peterson	Staples
Borden	Hughes	Luther	Pillsbury	Stokowski
Brataas	Humphrey	McCutcheon	Purfeerst	Strand
Chenoweth	Johnson	Menning	Renneke	Stumpf
Coleman	Keefe, J.	Merriam	Schaaf	Tennessee
Davies	Keefe, S.	Moe	Schmitz	Ueland, A.
Dieterich	Kirchner	Nelson	Schrom	Ulland, J.
Dunn	Kleinbaum	Nichols	Sieloff	Vega
Engler	Knaak	Ogdahl	Sikorski	Wegener
Frederick	Knoll	Olhoft	Sillers	Willet

So the bill passed and its title was agreed to.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Gearty in the chair.

After some time spent therein, the committee arose, and Mr. Gearty reported that the committee had considered the following:

S. F. No. 1610, which the committee recommends to pass with the following amendment offered by Mr. Davies:

Page 2, after line 28, insert

"Sec. 4. Minnesota Statutes 1976, Section 204A.26, Subdivision 1, is amended to read:

204A.26 [BALLOTS, JUDGES' INITIALS.] Subdivision 1. Before the voting begins, or as soon thereafter as possible, two judges shall place their initials on the backs of all the ballots they have, directly under or opposite the facsimile of the official signature, and they in their charge. The judges may not otherwise mark the ballots.

Sec. 5. Minnesota Statutes 1976, Section 204A.32, Subdivision 3, is amended to read:

Subd. 3. [BALLOTS, IDENTIFYING MARKS.] No voter, judge, or any other person may at any time place any mark as a means of identification upon any ballot handed to or cast by any voter or upon any spoiled or discarded ballots except the proper signature and initials provided by law to be placed upon ballots."

Renumber the remaining sections

Amend the title as follows:

Page 1, line 5, before "and" insert "204A.26, Subdivision 1; 204A.32, Subdivision 3;"

S. F. No. 1510, which the committee recommends to pass with the following amendment offered by Mr. Vega:

Page 2, line 8, after the period insert: "*A tax levied pursuant to this subdivision is not a special levy as defined in section 275.50, subdivision 5, and shall be subject to the limitation provided in sections 275.51 to 275.56.*"

S. F. No. 1066 which the committee recommends to pass, after the following motion:

The question was taken on the recommendation to pass S. F. No. 1066.

The roll was called, and there were yeas 40 and nays 18, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Laufenburger	Penny	Staples
Bang	Gearty	McCutcheon	Peterson	Stokowski
Bernhagen	Hughes	Merriam	Pillsbury	Strand
Chenoweth	Humphrey	Moe	Schaaf	Stumpf
Coleman	Kirchner	Nelson	Schrom	Tennessee
Davies	Kleinbaum	Nichols	Sieloff	Vega
Dieterich	Knaak	Ogdahl	Sikorski	Wegener
Dunn	Knoll	Olhoff	Sillers	Willet

Those who voted in the negative were:

Benedict	Hanson	Knutson	Renneke	Ueland, A.
Brataas	Johnson	Lessard	Schmitz	Ulland, J.
Engler	Keefe, J.	Luther	Solon	
Gunderson	Keefe, S.	Menning	Spear	

The motion prevailed. So S. F. No. 1066 was recommended to pass.

On motion of Mr. Coleman, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 10:00 a.m., Thursday, February 9, 1978. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SEVENTIETH DAY

St. Paul, Minnesota, Thursday, February 9, 1978

The Senate met at 10:00 o'clock a.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. Dean Stille.

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

Anderson	Engler	Knutson	Olson	Sillers
Ashbach	Frederick	Laufenburger	Penny	Solon
Bang	Gearty	Lessard	Perpich	Spear
Benedict	Gunderson	Lewis	Peterson	Staples
Bernhagen	Hughes	Luther	Pillsbury	Stokowski
Borden	Humphrey	McCutcheon	Purfeerst	Stumpf
Brataas	Jensen	Menning	Renneke	Tennessee
Chenoweth	Johnson	Merriam	Schaaf	Ueland, A.
Chmielewski	Keefe, J.	Moe	Schmitz	Ulland, J.
Coleman	Keefe, S.	Nelson	Schrom	Vega
Davis	Kirchner	Nichols	Setzepfandt	Wegener
Dieterich	Kleinbaum	Ogdahl	Sieloff	Willet
Dunn	Knaak	Olhoft	Sikorski	

The President declared a quorum present.

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

MEMBERS EXCUSED

Messrs. Knoll, Hanson and Strand were excused from the Session of today.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received and referred to the committees indicated:

January 30, 1978

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

This is to inform you that Mr. Richard W. Session, 4401 Heritage Hills Drive, Bloomington, Hennepin County, has resigned as Commissioner of the Department of Personnel.

I, therefore, respectfully request that the name of Mr. Session be removed from Senate consideration.

Referred to the Committee on Governmental Operations.

January 30, 1978

The following appointment to the Minnesota Environmental Quality Board is hereby respectfully submitted to the Senate for confirmation as required by law:

Allan E. Mulligan, 11421 Live Oak Drive, Minnetonka, Hennepin County, has been appointed by me, effective January 18, 1978, for a term expiring the first Monday in January, 1979.

Referred to the Committee on Agriculture and Natural Resources.

January 31, 1978

The following appointment to the Crime Control Planning Board is hereby respectfully submitted to the Senate for confirmation as required by law:

Cheryl Morrison, 2506 12th Avenue South, Minneapolis, Hennepin County, has been appointed by me, effective July 29, 1977, for a term expiring January 1, 1979.

Referred to the Committee on Health, Welfare and Corrections.

January 31, 1978

The following appointment to the Tax Court of Appeals is hereby respectfully submitted to the Senate for confirmation as required by law:

John Knapp, 250 1st Street, Albany, Stearns County, has been appointed by me, effective January 1, 1977, for a term expiring January 1, 1979.

Referred to the Committee on Judiciary.

January 31, 1978

The following appointment to the Tax Court of Appeals is hereby respectfully submitted to the Senate for confirmation as required by law:

Earl B. Gustafson, 700 1st National Bank Building, Duluth, St. Louis County, has been appointed by me, effective January 1, 1977, for a term expiring January 1, 1983.

Referred to the Committee on Judiciary.

February 2, 1978

The following appointment to the Worker's Compensation Court

of Appeals is hereby respectfully submitted to the Senate for confirmation as required by law:

Robert McCarthy, 2356 Swan Drive, Mendota Heights, Dakota County, has been appointed by me, effective September 2, 1977, for a term expiring the first Monday in September, 1983.

Referred to the Committee on Employment.

February 8, 1978

The following appointments to the Crime Control Planning Board are hereby respectfully submitted to the Senate for confirmation as required by law:

Gerald Benjamin, 235 State Street, Jackson, Jackson County, has been appointed by me, effective January 1, 1978, for a term expiring the first Monday in January, 1982.

Jimmy H. Evans, 215 Oak Grove Street, Minneapolis, Hennepin County, has been appointed by me, effective January 1, 1978, for a term expiring the first Monday in January, 1982.

Frederick D. McDougall, Sr., 1014 21st Street, Bemidji, Beltrami County, has been appointed by me, effective January 1, 1978, for a term expiring the first Monday in January, 1982.

Referred to the Committee on Health, Welfare and Corrections.

Sincerely,
Rudy Perpich, Governor

February 3, 1978

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

I have the honor to inform you that the following enrolled Act of the 1978 Session of the State Legislature has been received from the Office of the Governor and is deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S. F. No.	H. F. No.	Session Laws Chapter No.	Date Approved 1978	Date Filed 1978
686		457	February 3rd	February 3rd

Sincerely,
Joan Anderson Growe
Secretary of State

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Johnson, Willet, Anderson, Laufenburger and Lessard introduced—

S. F. No. 1971: A bill for an act relating to taxation; income tax; providing a credit against tax due for costs of installation of certain approved wood or coal burning heating equipment; amending Minnesota Statutes 1976, Section 290.06, by adding a subdivision.

Referred to the Committee on Energy and Housing.

Messrs. Ulland, J. and Johnson introduced—

S. F. No. 1972: A bill for an act relating to state parks; deleting certain land from the boundaries of Judge C. R. Magney State Park.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Chmielewski, Penny, Benedict, Sieloff and Anderson introduced—

S. F. No. 1973: A resolution relating to the war in Southeast Asia; expressing the concern of the Minnesota legislature for those MIAs and POWs that are unaccounted; urging action by the national leadership to end the heartache caused by the lack of information about these servicemen.

Referred to the Committee on Rules and Administration.

Mrs. Staples, Messrs. Perpich, Davies, Sillers and Hughes introduced—

S. F. No. 1974: A bill for an act relating to children; authorizing children to be taken into protective custody when there is imminent danger to their health and welfare.

Referred to the Committee on Judiciary.

Messrs. Hanson, Strand, Dunn, Setzepfandt and Penny introduced—

S. F. No. 1975: A bill for an act relating to livestock; requiring weighers to provide a certificate of weight to the seller; amending Minnesota Statutes, 1977 Supplement, Section 17A.10.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Stokowski, Strand and Renneke introduced—

S. F. No. 1976: A bill for an act relating to retirement; teachers retirement association; prospective discontinuation of the variable annuity program; amending Minnesota Statutes 1976, Sections

354.44, Subdivision 7; 354.62, Subdivisions 1 and 2; and Chapter 354, by adding a section.

Referred to the Committee on Governmental Operations.

Mr. Benedict introduced—

S. F. No. 1977: A bill for an act proposing an amendment to the Minnesota Constitution, adding a new article; providing for initiative-referendum.

Referred to the Committee on Judiciary.

Mr. Merriam introduced—

S. F. No. 1978: A bill for an act relating to education; providing a formula for special education services provided by contract as part of a summer school program; amending Minnesota Statutes, 1977 Supplement, Section 124.32, Subdivision 1b.

Referred to the Committee on Education.

Mr. Merriam introduced—

S. F. No. 1979: A bill for an act relating to insurance; regulating the bidding on certain government insurance contracts; amending Minnesota Statutes, 1977 Supplement, Section 471.616, Subdivision 1.

Referred to the Committee on Commerce.

Messrs. Willet, Purfeerst and Ashbach introduced—

S. F. No. 1980: A bill for an act relating to motor vehicles; extending protection provided by motor vehicle dealer surety bonds; authorizing the issuance of nontransferable certificates of title; changing the definition of a bus; amending Minnesota Statutes 1976, Sections 168A.07, Subdivision 2; 171.01, Subdivision 19; Minnesota Statutes, 1977 Supplement, Section 168.27, Subdivision 24.

Referred to the Committee on Commerce.

Messrs. Merriam, Frederick, Solon, Sikorski and Stokowski introduced—

S. F. No. 1981: A bill for an act relating to taxation; property tax; extending special levy status for certain shade tree disease control programs; appropriating money; amending Minnesota Statutes, 1977 Supplement, Section 275.50, Subdivision 6.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Wegener, Dunn and Lessard introduced—

S. F. No. 1982: A bill for an act relating to environmental impact statements; authorizing local units of government to assess

preparation costs against private developers on certain projects; amending Minnesota Statutes 1976, Section 116D.045, Subdivision 5.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Davies, Sieloff and Sikorski introduced—

S. F. No. 1983: A bill for an act relating to insurance; regulating minimum nonforfeiture benefits and reserves of insurance policies and annuity contracts; amending Minnesota Statutes 1976, Sections 61A.08; 61A.21; 61A.24, Subdivisions 1, 9 and 11; 61A.25, Subdivisions 3, 3a, 4, 5, 6, 7, and by adding a subdivision; and Chapter 61A, by adding a section.

Referred to the Committee on Commerce.

Messrs. Johnson and Solon introduced—

S. F. No. 1984: A bill for an act relating to St. Louis county; providing for certain employees to be in the unclassified civil service; amending Laws 1941, Chapter 423, Section 6.

Referred to the Committee on Local Government.

Messrs. Stokowski, Chenoweth, Kirchner, Ogdahl and Schaaf introduced—

S. F. No. 1985: A bill for an act relating to retirement; transit operating division of the metropolitan transit commission; transfer of pension coverage; termination of the metropolitan transit commission—transit operating division employees retirement fund; amending Minnesota Statutes 1976, Sections 352.01, Subdivisions 2A and 11; and 352.22, by adding a subdivision; and Minnesota Statutes, 1977 Supplement, Sections 352.03, Subdivisions 1 and 2; and 473.415.

Referred to the Committee on Governmental Operations.

Messrs. Kleinbaum, Sikorski and Dunn introduced—

S. F. No. 1986: A bill for an act relating to commerce; requiring metering of wholesale petroleum sales; providing a penalty; amending Minnesota Statutes 1976, Chapter 325, by adding a section.

Referred to the Committee on Commerce.

Mr. Kleinbaum introduced—

S. F. No. 1987: A bill for an act relating to the legislature; setting the size of the legislature after the 1980 census; amending Minnesota Statutes 1976, Section 2.021.

Referred to the Committee on Rules and Administration.

Mr. Kleinbaum, Mrs. Staples and Mr. Dunn introduced—

S. F. No. 1988: A bill for an act relating to commerce; establishing a small business consortium; creating an advisory task force on small business development programs; appropriating money.

Referred to the Committee on Commerce.

Mr. Johnson introduced—

S. F. No. 1989: A bill for an act relating to towns; authorizing town constables to be elected or appointed by the town board; amending Minnesota Statutes 1976, Section 367.03, Subdivisions 1 and 3.

Referred to the Committee on Local Government.

Messrs. Dieterich, Sikorski and Keefe, S. introduced—

S. F. No. 1990: A bill for an act relating to unemployment compensation; providing benefits to certain employees; amending Minnesota Statutes, 1977 Supplement, Section 268.09, Subdivision 1.

Referred to the Committee on Employment.

Mr. Nelson introduced—

S. F. No. 1991: A bill for an act relating to retirement; validating certain administrative expenses from the special fund of the Austin firefighter's relief association.

Referred to the Committee on Governmental Operations.

Messrs. Johnson, Willet and Engler introduced—

S. F. No. 1992: A bill for an act relating to emergency services; authorizing the division of emergency services to enter into an agreement with the federal disaster assistance administration for the maintenance of the Minnesota natural disaster assistance plan; appropriating money.

Referred to the Committee on General Legislation and Veterans Affairs.

Messrs. Johnson, Willet and Engler introduced—

S. F. No. 1993: A bill for an act relating to weather; authorizing the division of emergency services to establish a warning system in conjunction with the national weather service; appropriating money.

Referred to the Committee on General Legislation and Veterans Affairs.

Messrs. Olson, Frederick, Wegener, Dieterich and Sillers introduced—

S. F. No. 1994: A bill for an act relating to taxation; property taxes; requiring notice to certain delinquent taxpayers before publication of delinquent list; amending Minnesota Statutes 1976, Sections 279.05; 279.09; and 279.10.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Olson; Vega; Stumpf; Ueland, A. and Solon introduced—

S. F. No. 1995: A bill for an act relating to health; concerning smoking; providing for the designation of smoking and nonsmoking areas; amending Minnesota Statutes 1976, Section 144.415.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Borden, Anderson, McCutcheon and Sillers introduced—

S. F. No. 1996: A bill for an act relating to industrial revenue bonding; creating bonding authority to fund development of solar and other alternative energy sources; amending Minnesota Statutes 1976, Sections 474.01, Subdivision 4; 474.02, Subdivision 1, and by adding a subdivision; and 474.03.

Referred to the Committee on Energy and Housing.

Mr. Stumpf introduced—

S. F. No. 1997: A bill for an act relating to Ramsey county and the city of Saint Paul; changing the name of the Ramsey county hospital and sanitarium commission; further prescribing its powers and duties, removing obsolete provisions; amending Laws 1974, Chapter 435, Section 3.14.

Referred to the Committee on Local Government.

Messrs. Pillsbury, Frederick and Mrs. Knaak introduced—

S. F. No. 1998: A bill for an act relating to taxation; income tax; exempting certain capital gains on homesteads held for more than one year from taxation; amending Minnesota Statutes 1976, Section 290.13, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Kleinbaum, Solon and Bang introduced—

S. F. No. 1999: A bill for an act relating to intoxicating liquor; requiring wholesalers to maintain a warehouse stock; amending Minnesota Statutes 1976, Section 340.07, Subdivision 8.

Referred to the Committee on Commerce.

Messrs. Spear; Keefe, S.; Stumpf; Nelson and Mrs. Staples introduced—

S. F. No. 2000: A bill for an act relating to labor and employment; prohibiting mandatory retirement of public or private employees; rights and remedies of employees; amending Minnesota Statutes 1976, Sections 43.24, Subdivision 1; 69.29; 352.22, Subdivisions 1 and 2; 422A.13, Subdivision 2; and 490.124, Subdivision 1; and Chapter 181, by adding a section; and Minnesota Statutes, 1977 Supplement, Section 43.12, Subdivision 17; and 363.02, Subdivision 6; repealing Minnesota Statutes 1976, Sections 125.12, Subdivision 5; 163.07, Subdivision 2a; 354A.21; 423.075; and 423.26; and Minnesota Statutes, 1977 Supplement, Section 43.051, Subdivision 1.

Referred to the Committee on Employment.

Messrs. Nichols, Hanson, Moe and Strand introduced—

S. F. No. 2001: A bill for an act relating to agriculture; family farm security program; providing for exclusion from gross income of interest on certain loans; amending Minnesota Statutes 1976, Section 41.58, by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Hanson, Olhoff, Willet, Strand and Coleman introduced—

S. F. No. 2002: A bill for an act relating to agriculture; corporate farming; providing new definitions; declaring the desirability of family farm stability; amending Minnesota Statutes 1976, Sections 268.04, Subdivision 31; 308.11; 500.24; and Minnesota Statutes, 1977 Supplement, Section 176.041, Subdivision 1.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Keefe, S. introduced—

S. F. No. 2003: A bill for an act relating to unclaimed property; providing for reporting of certain unclaimed intangible property; amending Minnesota Statutes 1976, Sections 345.38, by adding a subdivision; 345.54; and 345.55, by adding a subdivision.

Referred to the Committee on Commerce.

Messrs. Kleinbaum, Chenoweth and Mrs. Brataas introduced—

S. F. No. 2004: A bill for an act relating to cable communications; abolishing the cable communications board; transferring the functions of the board to the public service commission; amending Minnesota Statutes 1976, Sections 216A.05, Subdivision 2; 238.01; 238.02, Subdivision 4; 238.05; 238.06; 238.07; 238.08, Subdivisions

2 and 3; 238.09, as amended; 238.11, Subdivision 1; 238.12, Subdivision 3; 238.13; 238.14; 238.15; 238.16, Subdivision 1; repealing Minnesota Statutes 1976, Section 238.04, as amended.

Referred to the Committee on Commerce.

Messrs. Hanson, Johnson, Peterson, Olson and McCutcheon introduced—

S. F. No. 2005: A bill for an act relating to taxation; income tax; providing a deduction from gross income of certain amounts of part time military pay; amending Minnesota Statutes 1976, Section 290.65, by adding a subdivision; and Minnesota Statutes, 1977 Supplement, Section 290.01, Subdivision 20.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Strand, Tennesen and Davies introduced—

S. F. No. 2006: A bill for an act relating to courts; disqualification of a presiding judge without a showing of prejudice; amending Minnesota Statutes 1976, Section 542.16.

Referred to the Committee on Judiciary.

Mr. Laufenburger introduced—

S. F. No. 2007: A bill for an act relating to public health; establishing a preventive dental health program for certain children; appropriating money; amending Minnesota Statutes 1976, Chapter 144, by adding a section.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Laufenburger introduced—

S. F. No. 2008: A bill for an act relating to labor; requiring some employees to be paid bimonthly.

Referred to the Committee on Employment.

Mr. Sieloff introduced—

S. F. No. 2009: A bill for an act relating to the administration of criminal justice; providing that persons convicted of crimes punishable by incarceration shall be released pending appeal; authorizing direct appeal to the supreme court upon denial of release pending appeal.

Referred to the Committee on Judiciary.

Messrs. Sieloff, Engler, Bernhagen and Mrs. Knaak introduced—

S. F. No. 2010: A bill for an act relating to taxation; income tax; excluding certain capital gains which result from eminent domain

proceedings from gross income; amending Minnesota Statutes 1976, Sections 290.14; and 290.16, by adding a subdivision; and Minnesota Statutes, 1977 Supplement, Section 290.01, Subdivision 20.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Nelson, Strand and Setzepfandt introduced—

S. F. No. 2011: A bill for an act relating to public employee labor relations; redefining “employer” and “essential employee”; revising procedures relating to certification petitions and elections; permitting employers to hold closed meetings to discuss negotiation strategy; moving up time deadlines in state employee negotiations; removing the ability of the legislature to modify state employee agreements; extending to state employees an additional limited right to strike; requiring arbitrators to submit findings and explanations; requiring the director of the bureau of mediation services to index arbitration orders; appropriating money; amending Minnesota Statutes 1976, Sections 179.63, Subdivisions 4 and 11; 179.67, Subdivision 4; 179.69, Subdivisions 2 and 5; 179.70, Subdivision 5; 179.71, Subdivision 5; 179.72, Subdivisions 7 and 9; and Minnesota Statutes, 1977 Supplement, Sections 179.65, Subdivision 6; and 179.74, Subdivisions 4 and 5.

Referred to the Committee on Governmental Operations.

Mr. Benedict introduced—

S. F. No. 2012: A bill for an act relating to education; school lunch program; requiring school boards to appoint citizens advisory committees for school meal improvement.

Referred to the Committee on Education.

Messrs. Purfeerst, Penny, Coleman, Peterson and Hanson introduced—

S. F. No. 2013: A bill for an act relating to taxation; establishing a rail line fuel tax; dedicating revenues to the rail service improvement account; providing penalties; permitting the commissioner of transportation to make grants to railroads; amending Minnesota Statutes 1976, Sections 222.50, by adding a subdivision; 296.15, Subdivision 1; 296.25, Subdivision 1; and Chapter 296, by adding sections.

Referred to the Committee on Transportation.

Messrs. Wegener, Bernhagen and Schrom introduced—

S. F. No. 2014: A bill for an act relating to taxation; property tax; providing a credit against taxes due on certain land crossed by high voltage power lines; amending Minnesota Statutes 1976,

Section 273.42; and Chapter 273, by adding a section; and Minnesota Statutes, 1977 Supplement, Section 276.04.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Kirchner, Gearty, Willet and Bang introduced—

S. F. No. 2015: A bill for an act relating to state parks; authorizing the lease of a portion of Fort Snelling state park; waiving park admission fees and authorizing a liquor license on the leased property.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Lewis; Keefe, S.; McCutcheon; Schaaf and Kirchner introduced—

S. F. No. 2016: A bill for an act relating to crimes; authorizing counties to establish victim support funds and to provide services to victims of crime; providing for a penalty assessment on convicted persons; appropriating money.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Purfeerst, Penny, Moe, Setzepfandt and Hanson introduced—

S. F. No. 2017: A bill for an act relating to transportation; establishing a rail user loan guarantee program; creating a rail user loan guarantee account; prescribing powers and duties of the commissioner of transportation; appropriating money; amending Minnesota Statutes 1976, Sections 362A.01, Subdivision 2; and 474.02, Subdivision 2.

Referred to the Committee on Transportation.

Messrs. Nichols, Strand and Setzepfandt introduced—

S. F. No. 2018: A bill for an act relating to Yellow Medicine county; authorizing the expenditure of money by the county board to restore county ditch number nine.

Referred to the Committee on Local Government.

Messrs. Vega and Merriam introduced—

S. F. No. 2019: A bill for an act relating to education; providing aid and levy adjustments for abatements in school district taxes; amending Minnesota Statutes 1976, Section 275.48; and Minnesota Statutes, 1977 Supplement, Section 124.214.

Referred to the Committee on Education.

Messrs. Strand, Coleman, Gearty, Nichols and Chenoweth introduced—

S. F. No. 2020: A bill for an act relating to retirement; computation of legislator's retirement allowances; amending Minnesota Statutes, 1977 Supplement, Section 3A.02, Subdivision 1.

Referred to the Committee on Governmental Operations.

Messrs. Setzepfandt, Renneke and Purfeerst introduced—

S. F. No. 2021: A bill for an act relating to power plant siting; rule making powers of the environmental quality board; amending Minnesota Statutes, 1977 Supplement, Section 116C.66.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Olhoff, Strand, Wegener, Bernhagen and Schrom introduced—

S. F. No. 2022: A bill for an act relating to taxation; property tax; altering rate and distribution of proceeds of tax on certain transmission and distribution lines; amending Minnesota Statutes 1976, Sections 273.38 and 273.42.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Keefe, S.; Knoll; Spear; Tennessen and Stokowski introduced—

S. F. No. 2023: A bill for an act relating to the Minneapolis police department; providing for certain employee appointments; amending Laws 1961, Chapter 108, Section 1, as amended.

Referred to the Committee on Local Government.

Messrs. Sikorski, Purfeerst, Setzepfandt, Luther and Penny introduced—

S. F. No. 2024: A bill for an act relating to public utilities; siting and location of coal, gas and petroleum product storage facilities and pipelines; amending Minnesota Statutes 1976, Sections 116C.52, Subdivision 6, and by adding subdivisions; 116C.61, as amended; and 116C.69, by adding a subdivision; and Minnesota Statutes, 1977 Supplement, Sections 116C.52, Subdivisions 8 and 9; 116C.53; 116C.54; 116C.55, Subdivisions 2 and 3; 116C.57; 116C.63, Subdivision 1; 116C.65; 116C.67; and 116C.69, Subdivision 3.

Referred to the Committee on Transportation.

Messrs. Wegener, Chmielewski and Renneke introduced—

S. F. No. 2025: A bill for an act relating to taxation; property

tax; eliminating certain limitations on special assessments by municipalities; amending Minnesota Statutes 1976, Section 429.011, Subdivision 2b.

Referred to the Committee on Local Government.

Messrs. Wegener, Bernhagen and Chmielewski introduced—

S. F. No. 2026: A bill for an act relating to agriculture; agricultural product containers; providing for parity in treatment of dairy containers; repealing Minnesota Statutes, 1977 Supplement, Sections 116F.21 and 116F.22.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Kleinbaum; Ueland, A. and Laufenburger introduced—

S. F. No. 2027: A bill for an act relating to intoxicating liquor; places where sale or consumption prohibited; amending Minnesota Statutes 1976, Sections 340.14, Subdivision 3; 340.58; and 624.701, Subdivision 1.

Referred to the Committee on Commerce.

Mr. Nichols introduced—

S. F. No. 2028: A bill for an act relating to game and fish; restricting licenses which authorize the taking of raccoon to residents only; amending Minnesota Statutes, 1977 Supplement, Section 100.27, Subdivision 3.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Wegener, Dunn, Setzepfandt and Lessard introduced—

S. F. No. 2029: A bill for an act relating to taxation; property tax; requiring county to reimburse township for certain errors made by county auditor.

Referred to the Committee on Local Government.

Messrs. Strand, Nichols and Benedict introduced—

S. F. No. 2030: A bill for an act relating to education; authorizing expansion of the environmental education program; amending Minnesota Statutes 1976, Section 89.35, Subdivision 2; and Minnesota Statutes, 1977 Supplement, Section 126.111, Subdivision 1.

Referred to the Committee on Education.

Mr. McCutcheon introduced—

S. F. No. 2031: A bill for an act relating to highways; directing

the department of transportation to utilize a certain corridor in Washington county for the construction of interstate highway marked No. I 94.

Referred to the Committee on Transportation.

Messrs. Setzepfandt, Peterson, Nelson, Bernhagen and McCutcheon introduced—

S. F. No. 2032: A bill for an act relating to taxation; income tax; providing a deduction from gross income of certain amounts of military pay; amending Minnesota Statutes 1976, Section 290.65, by adding a subdivision; and Minnesota Statutes, 1977 Supplement, Section 290.01, Subdivision 20.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Humphrey, Chenoweth and Kirchner introduced—

S. F. No. 2033: A bill for an act relating to cable communications; providing for line extension; amending Minnesota Statutes 1976, Sections 238.02, by adding subdivisions; 238.08, Subdivision 1; and Chapter 238, by adding a section.

Referred to the Committee on Commerce.

Mr. Benedict introduced—

S. F. No. 2034: A bill for an act relating to the governor; appropriating money for the establishment of a governor's conference on food and nutrition.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Chenoweth, Vega, Humphrey, McCutcheon and Ashbach introduced—

S. F. No. 2035: A bill for an act relating to the operation of state government; providing for the periodic review and evaluation of executive branch agencies and departments; establishing a pilot program; prescribing goals and procedures; appropriating money.

Referred to the Committee on Governmental Operations.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 935, 1065, 1604, 1761, 1394, 1424, 1665 and 1930.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 6, 1978

FIRST READING OF HOUSE BILLS

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

H. F. No. 935: A bill for an act relating to counties; powers of the boards of county commissioners; including the board of county commissioners of Ramsey County among those county boards that may set expense allowances for members of certain boards and agencies; amending Minnesota Statutes 1976, Section 375.47, Subdivision 1.

Referred to the Committee on Local Government.

H. F. No. 1065: A bill for an act relating to St. Louis county; fees for tax search certificate; amending Laws 1955, Chapter 633, Section 1, Subdivision 2.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 851.

H. F. No. 1604: A bill for an act relating to town roads; providing cartways; amending Minnesota Statutes 1976, Section 164.08, Subdivision 2.

Referred to the Committee on Transportation.

H. F. No. 1761: A bill for an act relating to the state; authorizing the sale of certain state lands to, and the development of that land for industrial purposes or purposes which the city deems compatible with adjacent land by, the city of Owatonna; amending Laws 1965, Chapter 216, Section 2, as amended.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1589 now on the Consent Calendar.

H. F. No. 1394: A bill for an act relating to natural resources; directing the governor and the commissioner of natural resources to continue efforts to enter into certain agreements with the state of Wisconsin to maximize the fishery potential of certain boundary waters; amending Minnesota Statutes 1976, Section 97.48, by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

H. F. No. 1424: A bill for an act relating to intoxicating liquor; permitting licensing and sale on certain tour boats; amending Minnesota Statutes 1976, Section 340.11, by adding a subdivision.

Referred to the Committee on Commerce.

H. F. No. 1665: A bill for an act relating to law libraries; amending Minnesota Statutes 1976, Sections 140.41, Subdivision 1; 140.42, Subdivision 1; and 140.43, Subdivision 1.

Referred to the Committee on Judiciary.

H. F. No. 1930: A resolution urging the President, Congress and Secretary of Transportation to provide necessary grants and loans to the Milwaukee Road.

Referred to the Committee on Rules and Administration.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted, with the exception of reports pertaining to appointments. The motion prevailed.

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

S. F. No. 1627: A bill for an act relating to Minnesota Statutes; words and phrases; including Commonwealth of Puerto Rico within the definition of state; amending Minnesota Statutes 1976, Section 645.44, Subdivision 11.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

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

S. F. No. 1616: A bill for an act relating to probate; enacting the Uniform International Wills Act; amending Minnesota Statutes 1976, Chapter 524, by adding sections.

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

Page 1, line 9, strike "*In this part;*" and insert "*Subdivision 1. For the purposes of sections 1 to 10, the terms defined in this section have the meanings ascribed to them.*"

Page 1, line 10, strike "(1)" and insert "*Subd. 2.*"

Page 1, line 12, strike "(2)" and insert "*Subd. 3.*"

Page 1, line 20, strike "(a)" and insert "*Subdivision 1.*"

Page 2, line 3, strike "*this part*" and insert "*sections 2 to 5*"

Page 2, line 4, strike "(b)" and insert "*Subd. 2.*"

Page 2, line 7, strike "(c) *This part does*" and insert "*Subd. 3. Sections 1 to 10 do*"

Page 2, line 12, strike "(a)" and insert "*Subdivision 1.*"

Page 2, line 16, strike "(b)" and insert "*Subd. 2.*"

Page 2, line 20, strike both commas

Page 2, line 22, strike "(c)" and insert "*Subd. 3.*"

Page 2, line 22, strike the comma

Page 2, line 26, strike "(d)" and insert "*Subd. 4.*"

Page 3, line 4, strike "(e)" and insert "Subd. 5."

Page 3, line 10, strike "(a)" and insert "Subdivision 1."

Page 3, line 16, strike "(b)" and insert "Subd. 2."

Page 3, line 19, strike "(c)" and insert "Subd. 3."

Page 3, line 25, strike "(d)" and insert "Subd. 4."

Page 3, line 25, strike the comma

Page 3, line 32, strike "this" and insert "sections 2 to 5"

Page 4, line 1, strike "part"

Page 5, line 24, strike "this" and insert "sections 1 to 10"

Page 5, line 25, strike "part"

Page 5, line 26, strike "this part" and insert "sections 1 to 10"

Page 6, line 5, strike "this part" and insert "sections 1 to 7"

Page 6, line 19, before "The" insert "Subdivision 1."

Page 6, line 20, after "register" insert a comma

Page 6, line 22, strike ", keeping that" and insert ". The"

Page 6, line 23, strike "in strictest confidence" and insert "shall be private"

Page 6, line 23, strike "maker and" and insert "testator, after which date it shall be"

Page 6, line 24, strike "then making it"

Page 6, line 26, strike "center" and insert "secretary of state"

Page 6, strike lines 27 to 32

Page 7, line 1, strike "maker." and insert:

"Subd. 2."

Page 7, line 2, strike "it" and insert "he"

Page 7, after line 7, insert:

"Subd. 3. Only the following information may be received, preserved and reported pursuant to this section:

(a) The testator's name, social security number or other individual identifying number established by law;

(b) The testator's address and date and place of birth; and

(c) The intended place of deposit or safekeeping of the instrument pending the death of the testator.

Sec. 11. This act shall be effective the day following final enactment."

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

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 1655: A bill for an act relating to public employees retirement association; providing for adjusted accrual dates for payment of annuities, survivor benefits and disability benefits, and clarifying membership requirements for elected officials; amending Minnesota Statutes 1976, Sections 353.29, Subdivision 7; 353.32, Subdivision 1a; 353.33, Subdivision 2; 353.657, Subdivision 2a; and Minnesota Statutes, 1977 Supplement, Sections 353.01, Subdivision 2b; 353.29, Subdivision 8; and 353.31, Subdivision 8.

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

Page 2, line 19 delete "*July*" and insert "*March*"

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

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

S. F. No. 318: A bill for an act relating to crimes; specifying the crime of inflicting bodily harm on a spouse; authorizing a "crisis team" consisting of a male and female peace officer to take preventive action to deter the possibility of further spousal harm; prescribing penalties.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 609.135, is amended by adding a subdivision to read:

Subd. 4. [DOMESTIC VIOLENCE; PROBATION AND COUNSELING.] If a person is convicted of assaulting his spouse or other person with whom he resides, and the court stays imposition or execution of sentence and places the defendant on probation, the court may condition the stay upon the defendant's participation in counseling or other appropriate programs selected by the court.

Sec. 2. Minnesota Statutes 1976, Chapter 629, is amended by adding a section to read:

[629.341] [PROBABLE CAUSE ARRESTS; DOMESTIC VIOLENCE.] *Notwithstanding the provisions of section 629.34 or any other law or rule to the contrary, a peace officer may arrest without a warrant a person if the peace officer has probable cause to believe the person has assaulted his spouse or other person with whom he resides, although the assault did not take place in the presence of the peace officer.*

Sec. 3. Minnesota Statutes 1976, Chapter 629, is amended by adding a section to read:

[629.72] [BAIL IN CASES OF DOMESTIC ASSAULT.]
Subdivision 1. [DETENTION IN LIEU OF CITATION; RELEASE.] Notwithstanding any other law or rule to the contrary, an arresting officer may not issue a citation in lieu of arrest and detention to an individual charged with assaulting his spouse or other individual with whom he resides.

Notwithstanding any other law or rule to the contrary, an individual who is arrested on a charge of assaulting his spouse or other person with whom he resides shall be brought to the police station or county jail. The officer in charge of the police station or the county sheriff in charge of the jail shall issue a citation in lieu of continued detention unless it reasonably appears to the officer or sheriff that detention is necessary to prevent bodily harm to the arrested person or another, or there is a substantial likelihood the arrested person will fail to respond to a citation.

If the arrested person is not issued a citation by the officer in charge of the police station or the county sheriff, he shall be brought before the nearest available judge of the county court or county municipal court in the county in which the alleged assault took place without unnecessary delay, but no more than 24 hours after his arrest, exclusive of Sundays and legal holidays.

Subd. 2. [JUDICIAL REVIEW; RELEASE; BAIL.] The judge before whom the arrested person is brought shall review the facts surrounding the arrest and detention. The arrested person shall be ordered released pending trial or hearing on his personal recognizance or on an order to appear or upon the execution of an unsecured bond in a specified amount unless the judge determines that release will be inimical to public safety, will create a threat of bodily harm to the arrested person or another, or will not reasonably assure the appearance of the arrested person at subsequent proceedings. If the judge so determines, he may impose any conditions of release which will reasonably assure the appearance of the person for subsequent proceedings, or may fix the amount of money bail without other conditions upon which the arrested person may obtain his release.

Subd. 3. [RELEASE AFTER 24 HOURS.] If the arrested person is not issued a citation by the officer in charge of the police station or the county sheriff pursuant to subdivision 1, or is not brought before a judge within the time limits prescribed in subdivision 1, he shall be released by the arresting authorities, and a citation shall be issued in lieu of continued detention.

Sec. 4. This act is effective the day following final enactment."

Further, amend the title as follows:

Strike the title in its entirety and insert:

"A bill for an act relating to criminal procedure; permitting peace officers to make arrests upon probable cause in cases of domestic assault; requiring detention and review of bail for persons charged with domestic assault; permitting the judge to stay execution and imposition of sentence conditioned upon the de-

pendant seeking appropriate counseling; amending Minnesota Statutes 1976, Section 609.135, by adding a subdivision; and Chapter 629, by adding sections."

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

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

S. F. No. 1725: A bill for an act relating to migrant labor; establishing a study commission on migrant labor; appropriating money.

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

Page 1, line 16, strike "three" and insert "five"

Page 1, line 17, strike "three" and insert "five"

Page 2, line 29, strike "December 31, 1978" and insert "June 30, 1979"

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

Mr. Tennesen from the Committee on Commerce, to which was referred

S. F. No. 1606: A bill for an act relating to no-fault automobile insurance; eliminating medical expense as a basis for recovering damages for non-economic detriment; amending Minnesota Statutes 1976, Section 65B.51, Subdivision 3.

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

Page 1, reinstate the stricken language in lines 14 to 23

Page 1, line 15, strike "\$2,000" and insert "\$3,000"

Page 2, reinstate the stricken language in lines 1 to 17

Page 2, line 13, strike the comma

Page 2, after line 21, insert:

"Sec. 2. *This act applies to injuries occurring after August 1, 1978.*"

Amend the title as follows:

Page 1, line 3, strike "eliminating" and insert "increasing"

Page 1, line 3, strike everything after "expense" and insert "threshold for recovery of"

Page 1, line 4, strike "recovering"

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

Mr. Tennesen from the Committee on Commerce, to which was referred

H. F. No. 356: A bill for an act relating to insurance; examination fees; abstract or summary of the annual statement; amending Minnesota Statutes 1976, Sections 60A.03, Subdivision 5; 60A.13, Subdivision 3; and 60A.14, Subdivision 1.

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

Page 3, strike all of section 2

Page 5, line 10, strike "the" and insert "*a domestic*"

Page 5, line 11, before the semicolon insert "*and all other insurers shall remit \$3*"

Page 5, line 12, after the comma strike "the" and insert "*a domestic*"

Page 5, line 12, before the period insert "*and all other insurers shall remit \$1*"

Page 5, line 16, strike "1977" and insert "1978"

Renumber the sections

Amend the title as follows:

Page 1, line 2, strike everything after the first semicolon

Page 1, line 3, strike everything before the semicolon and insert "increasing fees for examinations of insurance companies and insurance agents; increasing fees for agents' licenses and amendments"

Page 1, line 5, strike "; 60A.13, Subdivision 3"

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

Mr. Tennesen from the Committee on Commerce, to which was referred

H. F. No. 1095: A bill for an act relating to public health; requiring medical malpractice information from insurers; granting subpoena power to the board of medical examiners; amending Minnesota Statutes 1976, Section 147.072.

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

Page 2, line 6, after "*made*" insert "*or with whom a settlement was made*"

Page 2, line 7, strike "*the claim*" and insert "*an award*"

Page 2, line 8, before the period insert "*or with whom a settlement was made*"

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

Mr. Tennesen from the Committee on Commerce, to which was referred

S. F. No. 1206: A bill for an act relating to aircraft; clarifying compulsory insurance requirements; requiring maintenance of liability coverage only during periods of contemplated aircraft operation; amending Minnesota Statutes 1976, Section 360.59, Subdivision 10.

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

Page 1, line 17, after "*contemplated*" insert "*use or*"

Page 2, lines 2 and 17, after "*contemplated*" insert "*use or*"

Amend the title as follows:

Page 1, line 5, after "aircraft" insert "use or"

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

Mr. Tennesen from the Committee on Commerce, to which was referred

S. F. No. 1662: A bill for an act relating to commerce; redefining "banking day"; amending Minnesota Statutes 1976, Section 336.4-104.

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

Mr. Tennesen from the Committee on Commerce, to which was referred

S. F. No. 1647: A bill for an act relating to commerce; repealing the fair trade laws; repealing Minnesota Statutes 1976, Sections 325.08 to 325.14.

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

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 762: A bill for an act relating to the operation of state government; centralizing the management and review of all state contracts in the office of the commissioner of administration; distinguishing consultant, professional and technical contracts; amending Minnesota Statutes 1976, Sections 15.061; 161.35; and Chapter 16, by adding a section; repealing Minnesota Statutes 1976, Sections 4.19 and 16.10.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 15.061, is amended to read:

15.061 [CONSULTANT PROFESSIONAL AND TECHNICAL SERVICES.] *Notwithstanding the provisions of any other law Pursuant to the provisions of section 2 , the head of a state departments and agencies department or agency may, with the approval of the commissioner of administration, use salary appropriations to contract for consultant services and professional and technical services in connection with the operation of the departments and agencies department or agency . Such contracts A contract negotiated under this section shall not be subject to the competitive bidding requirements of chapter 16.*

Sec. 2. Minnesota Statutes 1976, Chapter 16, is amended by adding a section to read:

[16.098] [CONTRACT MANAGEMENT AND REVIEW.]
Subdivision 1. [DEFINITIONS.] *For the purposes of this section:*

- (1) *"Commissioner" means the commissioner of administration.*
- (2) *"State contract" means any written instrument containing the elements of offer, acceptance and consideration to which a state agency is a party.*
- (3) *"Agency" means any state officer, employee, board, commission, authority, department or other agency of the executive branch of state government.*
- (4) *"Consultant services" means services which are intellectual in character which do not involve the provision of supplies or materials; which include analysis, evaluation, prediction, planning or recommendation; and which result in the production of a report.*
- (5) *"Professional and technical services" means services which are predominantly intellectual in character; which do not involve the provision of supplies or materials; and in which the final result is the completion of a task rather than analysis, evaluation, prediction, planning or recommendation.*

Subd. 2. [DUTIES OF COMMISSIONER.] *The commissioner shall perform all contract management and review functions for state contracts, excepting those functions presently performed by the contracting agency, the attorney general and the commissioner of finance. In so doing, the commissioner shall establish the manner and form in which all state contracts shall be prepared and processed and shall examine and approve or disapprove all state contracts as to content, purpose, propriety and budget ramifications. No agency shall execute a state contract without receiving the prior approval of the commissioner pursuant to this subdivision. All agencies shall afford full cooperation to the commissioner in the management and review of state contracts.*

Subd. 3. [PROCEDURE FOR CONSULTANT AND PROFESSIONAL AND TECHNICAL SERVICES CONTRACTS.] *Before approving a proposed state contract for consultant services or professional and technical services the commissioner shall have at least determined that:*

(1) *the work to be performed under the contract is necessary to the agency's achievement of its statutory responsibilities, and that there is statutory authority to enter into the contract;*

(2) *the work cannot be performed adequately by personnel currently employed by the state;*

(3) *the contract will not establish an employer/employee relationship between the state or the agency and any persons performing under the contract;*

(4) *the agency made reasonable efforts to publicize the availability of the contract;*

(5) *no current state employees will engage in the performance of the contract;*

(6) *no state agency has previously performed or contracted for the performance of tasks which would be substantially duplicated under the proposed contract;*

(7) *the contracting agency has sufficiently specified the work tasks to be performed and time periods for their completion; and*

(8) *the contracting agency has specified a satisfactory method of evaluating and utilizing the results of the work to be performed.*

Subd. 4. [CONTRACT ADMINISTRATION.] Upon entering into a state contract, an agency shall bear full responsibility for the diligent administration and monitoring of the contract. The commissioner may require an agency to report to him at any time on the status of any outstanding state contract to which the agency is a party.

Subd. 5. [DELEGATION.] The commissioner may delegate a part or all of his contract management and review functions to the head of another agency including the contracting agency when he deems it appropriate. Delegations shall be filed with the secretary of state and shall not, except with respect to delegations within the department of administration, exceed two years in duration.

Subd. 6. [RULEMAKING AUTHORITY.] The commissioner may adopt and enforce rules as he deems necessary regarding the management and review of state contracts.

Subd. 7. [VALIDITY OF STATE CONTRACTS.] No state contracts shall be valid, nor shall the state be bound by the contract until it has first been executed by the head of the agency which is a party to the contract and has been approved in writing by the commissioner or his delegate pursuant to this section, by the attorney general or his delegate as to form and execution and by the commissioner of finance or his delegate for encumbrance or recordation purposes. The head of the agency may delegate the execution of specific contracts or specific types of contracts to a deputy or assistant head within his agency if the delegation has been approved by the commissioner of administration and filed with the secretary of state.

Subd. 8. [REPORTS.] The commissioner shall monthly submit to the governor and the legislature a listing of all contracts for consultant services and for professional and technical services executed or disapproved in the preceding month. The report shall identify the parties and the contract amount, duration and tasks to be performed. The commissioner shall also issue quarterly reports summarizing the contract review activities of his department over the preceding quarter.

Sec. 3. Minnesota Statutes 1976, Sections 16.10 and 161.35, are repealed.

Sec. 4. This act is effective the day following final enactment."

Amend the title as follows:

Page 1, line 7, delete "Sections" and insert "Section" and delete "161.35;"

Page 1, line 9, delete "4.19 and" and after "16.10" insert "; and 161.35"

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

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 1276: A bill for an act relating to Dakota county; housing and redevelopment authority; establishing powers of the authority; providing compensation for commissioners; amending Laws 1971, Chapter 333, Section 2, as amended; repealing Laws 1971, Chapter 333, Section 3.

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

Page 2, line 16, before "The" insert "Upon approval of the municipal housing and redevelopment authority,"

Page 2, line 17, after "jurisdiction" insert "over any part or all of the housing or redevelopment programs"

Page 2, line 19, strike "upon approval of the municipal"

Page 2, strike line 20 except the period

Page 2, line 24, strike "although" and insert "and"

Page 2, line 25, strike "exceeds" and insert "may exceed"

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

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 1603: A bill for an act relating to authorizing Washington county, the city of Stillwater, and the town of Stillwater to jointly exercise planning and land use control powers; applying the authorization retroactively.

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

Amend the title as follows:

Page 1, line 2, strike "authorizing"

Page 1, line 2, after "county" strike the comma and insert "; authorizing"

Page 1, line 3, strike "and"

Page 1, line 3, after "town of Stillwater" insert "and Washington county"

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

Mr. Hughes from the Committee on Education, to which was referred

S. F. No. 1573: A bill for an act relating to education; higher education coordinating board; private post-secondary institutions; providing certain exemptions and restrictions on the use of records in connection with registration of private post-secondary institutions; amending Minnesota Statutes 1976, Sections 136A.64 and 136A.65; and Chapter 136A, by adding a section.

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

Strike everything after the enacting clause and insert the following:

"Section 1. Minnesota Statutes 1976, Section 136A.61, is amended to read:

136A.61 [POLICY.] The legislature has found and hereby declares that the availability of legitimate courses and programs leading to academic degrees offered by responsible private institutions and post-secondary education and the existence of legitimate private colleges and universities are in the best interests of the people of this state. The legislature has found and declares that the state can provide assistance and protection for persons choosing private institutions and programs, by establishing policies and procedures to assure the authenticity and legitimacy of private post-secondary education institutions and programs. *The legislature has also found and declares that this same policy applies to any public post-secondary educational institution located in another state or country which offers or makes available to a Minnesota resident any course, program or educational activity which does not require the leaving of the state for its completion.*

Sec. 2. Minnesota Statutes 1976, Section 136A.62, Subdivision 3, is amended to read:

Subd. 3. [SCHOOL.] "School" means any individual, partnership, company, firm, society, trust, association, corporation, or any combination thereof, which (a) is, owns, or operates a private,

nonprofit post-secondary education institution ; ; (b) provides a post-secondary instructional program or course leading to a degree whether or not for profit ; or ; (c) is, owns, or operates a private, post-secondary education institution which uses the term "college", "academy", "institute" or "university" in its name ; or (d) operates for profit and provides programs or courses which are intended to allow an individual to fulfill in part or totally the requirements necessary to maintain a license to practice an occupation. "School" shall also mean any public post-secondary educational institution located in another state or country which offers or makes available to a Minnesota resident any course, program or educational activity which does not require the leaving of the state for its completion.

Sec. 3. Minnesota Statutes 1976, Section 136A.63, is amended to read:

136A.63 [REGISTRATION.] All schools located within Minnesota and all schools located outside Minnesota which offer programs or courses within Minnesota shall register annually with the board. The board shall have the authority to require these schools located outside Minnesota which offer programs or courses within Minnesota to register annually.

Sec. 4. Minnesota Statutes 1976, Section 136A.64, is amended to read:

136A.64 [INFORMATION.] *Subdivision 1.* As a basis for registration, schools shall provide the board with such information as the board needs to determine the nature and activities of the school, including but not limited to, requirements for admission, enrollments, tuition charge, refund policies, curriculum, degrees granted, and faculty employed. The board shall have the authority to verify the accuracy of the information submitted to it by inspection or any other means it deems necessary.

Subd. 2. The board shall not disclose financial records provided to it by a school pursuant to this section except for the purpose of defending, at hearings pursuant to Minnesota Statutes, Chapter 15, or other appeal proceedings, its decision to approve or not to approve the granting of degrees or the use of a name by the school. Minnesota Statutes, Section 15.17, Subdivision 4, shall not apply to such records.

Sec. 5. Minnesota Statutes 1976, Section 136A.65, is amended to read:

136A.65. [APPROVAL OF DEGREES AND NAME.] *Subdivision 1.* No school subject to registration shall grant a degree unless such degree is approved by the board, nor shall any school subject to registration use the name "college", "academy", "institute" or "university" in its name without approval by the board.

Subd. 2. The board shall establish procedures for approval, including notice and an opportunity for a hearing pursuant to chapter 15 if such approval is not granted. If a hearing is requested, no disapproval shall take effect until after such hearing.

Subd. 3. A school subject to registration shall be granted ap-

proval to use the term "college", "academy", "institute" or "university" in its name whether or not it offers a program leading to a degree, if it was organized, operating and using such term in its name on or before August 1, 1975, and if it meets the other policies and standards for approval established by the board.

Sec. 6. Minnesota Statutes 1976, Chapter 136A, is amended by adding a section to read:

[136A.653] [EXEMPTIONS.] *Subdivision 1. A school which does not grant a degree and which is subject to licensing by the state board of education pursuant to Minnesota Statutes, Chapter 141, is exempt from the provisions of sections 136A.61 to 136A.71. The determination of the commissioner of education as to whether a particular school is subject to regulation under chapter 141 is final for the purposes of this exemption.*

Subd. 2. Educational programs which are sponsored by a bona fide and nonprofit trade, labor, business, professional or fraternal organization, which are conducted solely for that organization's membership and for the members of the particular industries or professions served by that organization, and which are not available to the public on a fee basis, are exempted from the provisions of sections 136A.61 to 136A.71.

Subd. 3. Educational programs which are sponsored by a business firm for the training of its employees or the employees of other business firms with which it has contracted to provide educational services at no cost to the employees are exempted from the provisions of sections 136A.61 to 136A.71.

Sec. 7. Minnesota Statutes 1976, Chapter 136A, is amended by adding a section to read:

[136A.657] [EXEMPTION; RELIGIOUS SCHOOLS.] *Subdivision 1. Any school or any department or branch of a school (a) which is substantially owned, operated or supported by a bona fide church or religious organization; (b) whose programs are primarily designed for, aimed at and attended by persons who sincerely hold or seek to learn the particular religious faith or beliefs of that church or religious organization; and (c) whose programs are primarily intended to prepare its students to become ministers of, to enter into some other vocation closely related to, or to conduct their lives in consonance with the particular faith of that church or religious organization, is exempt from the provisions of sections 136A.61 to 136A.71.*

Subd. 2. This exemption shall not extend to any school or to any department or branch of a school which through advertisements or solicitations represent to any students or prospective students that the school, its aims, goals, missions or purposes or its programs are different from those described in subdivision 1. This exemption shall not extend to any school which represents to any student or prospective student that the purpose or effect of its programs is to prepare the student for a vocation not closely related to that particular religious faith, or to provide the student with a general educational program recognized by other schools

or the broader educational, business or social community as being substantially equivalent to the educational programs offered by schools or departments or branches of schools which are not exempt from Minnesota Statutes, Sections 136A.61 to 136A.71, and rules adopted pursuant thereto.

Subd. 3. Nothing in Minnesota Statutes, Sections 136A.61 to 136A.71, or rules adopted pursuant thereto, shall be interpreted as permitting the board to determine the truth or falsity of any particular set of religious beliefs.

Sec. 8. This act shall be effective the day following its final enactment."

Further, amend the title as follows:

Page 1, line 3, strike "private" and insert "making certain public"

Page 1, line 4, before "institutions" insert "educational"

Page 1, line 4, after "institutions" insert "located in another state or country subject to registration"

Page 1, line 4, strike "exemptions and"

Page 1, line 5, after "records" insert "provided"

Page 1, line 6, strike "of private post-secondary" and insert "; granting approval for the use of certain names by certain schools; providing exemptions from registration by certain schools"

Page 1, line 7, strike "institutions"

Page 1, line 8, after "Sections" insert "136A.61; 136A.62, Subdivision 3; 136A.63;"

Page 1, line 9, strike "a section" and insert "sections"

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

Mr. Tennesen from the Committee on Commerce, to which was referred

S. F. No. 1431: A bill for an act relating to food; regulation and licensing of food handlers; defining terms; providing for inspection or license fees for certain coin operated food vending machines; amending Minnesota Statutes 1976, Sections 28A.03; and 28A.09.

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

Page 1, line 9, strike "1976" and insert ", 1977 Supplement"

Page 3, after line 19, insert:

"(g) A custom processor is a person who for a fee slaughters animals or processes non-inspected meat for the owner of such animals, and returns the meat products derived from such slaughter or processing to the owner. "Custom processor" shall not in-

clude a person who slaughters animals or poultry and/or processes meat for the owner of the animals or poultry on the farm or premises of the owner of such animals, meat or poultry. For the purpose of this clause, "animals" or "meat" do not include poultry or game animals or meat derived therefrom."

Page 4, line 12, after "by" insert "either"

Page 4, line 13, after "city" insert ","

Page 4, line 13, before "and" insert "but not both,"

Amend the title as follows:

Page 1, line 2, strike everything after the semicolon

Page 1, line 3, strike everything before "providing"

Page 1, line 4, strike "or" and insert "and"

Page 1, line 6, strike "1976" and insert ", 1977 Supplement" and strike "Sections" and insert "Section"

Page 1, line 6, after "and" insert "Minnesota Statutes 1976, Section"

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

Mr. Tennesen from the Committee on Commerce, to which was referred

S. F. No. 1229: A bill for an act relating to commerce; permitting price advertising of eyeglasses; amending Minnesota Statutes 1976, Section 148.57, Subdivision 3.

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

Page 1, line 13, strike "grossly" and ", afflicted with"

Page 1, line 14, strike "contagious disease, an habitual drunkard,"

Page 2, lines 6 to 8, strike the new language

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

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

S. F. No. 1548: A bill for an act relating to courts; changing fees collected by court clerks for certain actions and services; amending Minnesota Statutes 1976, Sections 260.106, Subdivision 1; 557.021, Subdivision 2; 491.02; 517.08, Subdivision 1; and Chapter 525 by adding a section.

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

Page 1, strike section 1

Page 2, strike line 8

Page 2, line 9, strike "*in an action not*"

Page 2, line 10, strike "*triable of right by a jury*"

Page 2, line 10, strike "\$25" and insert "\$15"

Page 3, strike the new language in lines 8, 9 and 10

Pages 3 and 4, strike section 3

Pages 4 and 5, strike section 4 and insert:

"Sec. 2. Minnesota Statutes, 1977 Supplement, Section 517.08, Subdivision 1, is amended to read:

517.08 [APPLICATION FOR LICENSE.] Subdivision 1. Application for a marriage license shall be made at least five days before a license shall be issued. Such application shall be made upon a form provided for the purpose and shall contain the full names of the parties, their post office addresses and county and state of residence, their full ages, and the full names the parties will have after marriage. The clerk shall examine upon oath the party applying for license relative to the legality of such contemplated marriage and, if at the expiration of this five-day period, he is satisfied that there is no legal impediment thereto, he shall issue such license, containing the full names of the parties before and after marriage, and county and state of residence, with the district court seal attached, and make a record of the date of issuance thereof, which license shall be valid for a period of six months. In case of emergency or extraordinary circumstances, the judge of the probate court, the court commissioner, or any judge of the district court, of the county in which the application is made, may authorize the license to be issued at any time before the expiration of the five days. The clerk shall collect from the applicant a fee of ~~\$11~~ \$15 for administering the oath, issuing, recording, and filing all papers required, and preparing and transmitting to the state registrar of vital statistics the reports of marriage required by this section. If illness or other extenuating circumstances, it may be surrendered to the clerk for cancellation, and in such case a new license shall issue upon request of the parties of the original license without fee therefor. Any clerk who shall knowingly issue or sign a marriage license in any other manner than in this section provided shall forfeit and pay for the use of the parties aggrieved not to exceed \$1,000."

Page 5, line 26, strike "*The filing fee in this section*" and insert "*There shall be no additional fee for*"

Page 5, line 27, strike "*includes all required*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, strike "Sections" and insert "Section"

Page 1, line 5, strike "260.106, Subdivision 1;"

Page 1, line 6, strike "491.02; 517.08, Subdivision 1; and"

Page 1, line 7, before the period, insert "; and Minnesota Statutes, 1977 Supplement, Section 517.08, Subdivision 1"

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

Mr. Gearty from the Committee on Elections, to which was referred

S. F. No. 1630: A bill for an act relating to elections; providing certain safeguards against improper voter registration and casting of absentee ballots; prescribing certain duties for the secretary of state; prescribing penalties; amending Minnesota Statutes 1976, Sections 201.121; 201.15; 201.27; 204A.14, Subdivision 2; 207.06; 207.08; and Chapter 201, by adding a section; Minnesota Statutes, 1977 Supplement, Sections 201.061, Subdivision 3; 201.071, Subdivision 4; 204A.13, Subdivision 2; 204A.175; 207.02; 207.03; and 207.11.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes, 1977 Supplement, Section 201.061, Subdivision 3, is amended to read:

Subd. 3. A person who on election day presents himself at the polling place for the precinct in which he resides and who is not registered but is otherwise eligible to vote may nevertheless vote upon registering. A person may register at this time by completing a registration card, making an oath in the form prescribed by the commissioner and providing proof of his residence. An individual may prove his residence by :

(1) The Showing of his drivers license or ~~nonqualification certificate~~ *Minnesota identification card* issued pursuant to section 171.07 ; ~~or~~ ;

(2) Providing any document approved by the commissioner as proper identification ; ; or

(3) Having ~~an a~~ *qualified individual who is registered to vote in the precinct sign an oath in the presence of the election judge that he personally knows that the applicant is a resident of the precinct. An individual is qualified to sign an oath as provided in this clause if he has registered to vote in the precinct before the day of the election.*

Forms for the card and oath shall be available at each polling place. When an individual signs an oath that he personally knows that an applicant is a resident of the precinct the oath shall be attached to the applicant's registration card until the address of the applicant is verified by the county auditor. Forms used pursuant to this section shall be forwarded to the auditor who shall,

unless the information forwarded is substantially deficient, add the name of the voter to the registration system. If the auditor finds a registration pursuant to this subdivision substantially deficient he shall give written notice to the person whose registration is found deficient.

Sec. 2. Minnesota Statutes, 1977 Supplement, Section 201.071, Subdivision 4, is amended to read:

Subd. 4. Upon receipt of Any county auditor who receives a registration card indicating that a voter has changed residence since voting last was previously registered in a different county in Minnesota ; a county auditor shall notify the county auditor of the voter's last registration. Notification shall be made upon that county on a form prescribed by the commissioner. A county auditor receiving a registration card indicating that a voter was previously registered in a different precinct in the same county or a notification that a voter has registered in another county shall delete the that voter's name from the registration lists and affix the notification to the cancelled remove the original and duplicate voter registration card cards from the files . Any auditor who receives a registration card or notification requiring a change of registration records under this subdivision shall also check the duplicate registration card from the county or precinct of prior residence to determine whether the voter voted in that county or precinct in the most recent election.

Sec. 3. Minnesota Statutes 1976, Section 201.121, is amended to read:

201.121 [ENTRY OF NAMES; MAILED NOTICE.] Subdivision 1. Upon receiving a registration card properly completed and submitted in accordance with sections 201.061 and 201.111, 201.071 , the county auditor shall enter the registration card or the information contained on the card in the appropriate registration files.

Subd. 2. The county auditor shall mail to the voter each registrant a notice indicating the voter's name, address, precinct and polling place. The card notice shall require that it be returned if not deliverable . For any card returned because not deliverable to the voter at the named address ; . For any notice that is returned the county auditor shall cause to be affixed to the duplicate registration card of the voter the word "challenged." No person so challenged shall be permitted to vote except by complying with all provisions of law applicable to the proving of challenges.

Subd. 3 In the case of election day registrations, the county auditor shall within ten days of the election send the notice prescribed in subdivision 2 to a random sampling of the election day registrants. The random sampling shall be determined in accordance with the rules of the commissioner. The county auditor shall send the notice prescribed in subdivision 2 to all other election day registrants as soon as practicable after the election. If any notice is returned as not deliverable, the county auditor shall attempt to determine the reason for the return. If, upon inquiry, the county

auditor does not receive or obtain satisfactory proof of the registrant's eligibility to vote, he shall immediately notify the county attorney and the commissioner of the irregularity.

Sec. 4. Minnesota Statutes 1976, Section 201.15, is amended to read:

201.15 [PROBATE JUDGE, REPORT GUARDIANSHIPS AND COMMITMENTS.] The judge of probate in each county in the state shall report monthly to the county auditor the name, age and address of each person 18 years of age , or over , residing in such municipality *the county* , who has , during the month preceding the date of the report, been *was* placed under a guardianship of the person , and each such person under guardianship of the person transferred to the jurisdiction of the probate court, or restored to capacity, and each person, 18 years of age, or over, adjudged legally incompetent by reason of mental illness, mental deficiency, or inebriation, or as a psychopathic personality, and each such person *transferred to the jurisdiction of* or restored to capacity by the court. Upon receipt of such the report, the auditor shall examine the original and duplicate registration files ; and, to determine if such examination discloses that any of the persons person named in such the report as being under guardianship of the person or as adjudged incompetent or a psychopathic personality, is registered , to vote. The auditor shall remove the registration cards of such persons from the active files; and attach a notice to the original and duplicate registration cards of any person so named informing the election judges that the person is not eligible to reregister or vote. The notice shall contain the reason for ineligibility, the date of the determination, and the dated signature of the county auditor . Upon notice from the judge of probate of a restoration to capacity, the county auditor shall then remove the notice from the person's registration cards and thereafter process the person's registration card cards in the same manner as if no guardianship or adjudication had occurred.

Sec. 5. Minnesota Statutes 1976, Section 201.27, is amended to read:

201.27 [VIOLATIONS, PENALTIES.] *Subdivision 1.* Any officer, deputy, clerk, or other employee who shall wilfully ~~fail~~ *fails* to perform or enforce any of the provisions of this chapter *except the provisions of subdivision 2* , or who shall unlawfully or fraudulently ~~remove~~ *removes* any registration card or record from its proper compartment in the registration files, or who shall wilfully ~~destroy~~ *destroys* any record provided by this chapter to be kept, or any person who shall wilfully or fraudulently ~~register~~ *registers* more than once, or ~~register~~ *registers* under any but his true name, or ~~attempt~~ *attempts* to vote by impersonating another who is registered, or who wilfully registers in any precinct where he is not a resident at any time of registering, or who adds a name or names to the registration files, records or cards, or who violates any of the provisions of this chapter is guilty of a felony.

Subd. 2. Any deputy, clerk, employee or other subordinate of a county auditor or municipal clerk who has knowledge or reason

to believe that a violation of chapter 201 has occurred, shall immediately transmit a report of his knowledge or belief to the county auditor or municipal clerk, together with any evidence of the violation coming into his possession. Any county auditor or municipal clerk who has knowledge or reason to believe that a violation of chapter 201 has occurred shall immediately transmit a report of his knowledge or belief to the county attorney of the county wherein the violation is thought to have occurred, together with any evidence of the violation coming into his possession. The county auditor or municipal clerk shall also immediately send a copy of the report to the commissioner. A violation of this subdivision is a misdemeanor.

Sec. 6. Minnesota Statutes 1976, Chapter 201, is amended by adding a section to read:

[201.275] [INVESTIGATIONS; PROSECUTIONS.] Any county attorney receiving any report of a possible violation of chapter 201 shall immediately and diligently inquire into the facts of the possible violation. If there are reasonable grounds for instituting a prosecution, the county attorney shall present the charge, together with all the evidence that he can procure, to the grand jury of the county. If any county attorney fails or refuses to faithfully perform any duty imposed on him by chapter 201, he is guilty of a misdemeanor and on conviction thereof shall forfeit his office.

Any citizen may employ an attorney to assist the county attorney to perform his duties under this section, and that attorney shall be recognized by the county attorney and the court as associate counsel in the proceeding. No prosecution, action, or proceeding shall be dismissed without notice to, or against the objection of, the associate counsel until the reasons of the county attorney for the dismissal, together with the objections of the associate counsel, are filed in writing, argued by counsel, and fully considered by the court. The court may impose reasonable limits on the time of filing the reasons and objections.

Sec. 7. Minnesota Statutes, 1977 Supplement, Section 204A.13, Subdivision 2, is amended to read:

Subd. 2. [ELECTION LAW.] On or before July 1 of every even-numbered year the secretary of state shall furnish to the county auditors sufficient copies of the Minnesota election law. The secretary of state shall determine the manner of distribution of the Minnesota election law. The secretary of state also may prepare and transmit to the county auditors detailed written instructions on election laws relating to the conduct of elections, conduct of voter registration and voting procedures.

Sec. 8. Minnesota Statutes, 1977 Supplement, Section 204A.13, Subdivision 6, is amended to read:

Subd. 6. [ELECTION JUDGES TRAINING.] The secretary of state may formulate shall adopt rules establishing a program for the training of election judges, and for the conduct of their

duties as prescribed by law, throughout the state by county auditors as required by section 204A.175.

Sec. 9. Minnesota Statutes 1976, Section 204A.14, Subdivision 2, is amended to read:

Subd. 2. [ELECTION SUPPLIES, DUTY OF CLERKS.] At least one week before every state election, the clerk of each city and town and each statutory city that is separated from the town for election purposes, municipality in the county shall secure from the county auditor the necessary copies of each of the blanks and forms as are required in preparation for the conduct of the election, printed instruction cards, two copies of the Minnesota election law and any other instructions for election officers, for each precinct, and sufficient quantities of the necessary official ballots, ballot boxes, registers, and other supplies and materials so that the judges of the election precincts may comply with the provisions of the Minnesota election law. The clerk of each municipality in the county shall post in a conspicuous manner in the polling place the printed instruction cards secured from the county auditor. If it is more convenient, and in lieu of complying with the foregoing provisions of this subdivision, the auditor may furnish such the election supplies to the person entitled thereto in the same manner as such the supplies are furnished in unorganized territory. If there are election precincts in unorganized territory, the county auditor shall send by registered or certified mail, insured parcel post, express, or deliver to the judges in these precincts the supplies that are enumerated in this subdivision.

Sec. 10. Minnesota Statutes, 1977 Supplement, Section 204A.175, is amended to read:

204A.175 [TRAINING FOR ELECTION JUDGES; DUTIES OF THE COUNTY AUDITOR.] The county auditor of each county shall train all election judges who are appointed to serve at any election to be held in the county and shall provide a procedure for emergency training of judges appointed to fill vacancies in election boards after the opening of the polls when no regularly trained judges are available. The county auditor may delegate to a municipal election official the duties to train election judges for any municipality. No person may serve as an election judge who has not received training as required by this section.

Sec. 11. Minnesota Statutes, 1977 Supplement, Section 207.02, is amended to read:

207.02 [VOTING BY MAIL.] Any person entitled to vote at any general election, any primary election, any city election, or any statutory city or town election in statutory cities or towns operating under the "Australian Ballot System," who is absent on the day such election is held from the precinct in which he is entitled to vote on the day that election is held, or who by reason of illness or physical disability or because of religious discipline or observance of a religious holiday is unable to go to the polling place of such in that precinct, or who is em-

ployed as a judge of election in a precinct other than his own, may vote therein by having his ballot delivered to the election board of such precinct on the day of such election, either by mail or by the clerk of the municipality in which such precinct is situated as provided for in sections 207.08 and 207.101, and by complying with the provisions of this chapter. No Any person residing in a municipality now or hereafter having permanent registration of voters, as provided by chapter 201, shall be permitted to so vote unless if he has registered as a voter in accordance with such those provisions or registers on election day by enclosing a completed registration card with his ballot and providing proof of his residence in the manner required in section 207.03 .

Sec. 12. Minnesota Statutes, 1977 Supplement, Section 207.03, is amended to read:

207.03 [APPLICATION FOR BALLOTS.] Subdivision 1. At any time not more than 45 days or less than one day before the day of holding any election, any person may make application apply in writing subscribed by him for absentee ballots to: (a) the auditor of the county in which the applicant is a resident; (b) the full time clerk of a municipality designated by the county auditor if the applicant is a resident of that municipality; or (c) the full time clerk of a municipality which has requested designation by the county auditor if the applicant is a resident of that municipality ; for ballots and envelopes, by mailing to or filing with such auditor or such clerk an application substantially in the following form:

"APPLICATION FOR BALLOTS

The undersigned, a duly qualified voter in the County of _____, State of Minnesota, residing at _____ (here insert street and number) in said city, or town, because of (absence from home) _____, (illness) _____, (physical disability) _____, (because of religious discipline or observance of a religious holiday) hereby makes application for the ballots to be voted upon in said precinct at the next election. Please mail said ballots and accompanying envelope to me at _____ (insert post office address to which to be sent) _____

Dated _____, 19____

(Signature of Applicant)"

An application need not be on an official or standard form . An application submitted by mail shall be accepted if it contains the information above is signed and dated by the applicant, contains his voting and mailing addresses and states that he will be absent from the precinct or that he will be unable to go to the polling place for one of the reasons provided in section 207.02 . Any county auditor or clerk of a town or city who receives an application for absentee ballots which he cannot provide to the applicant shall forthwith forward that application to the official who can provide the ballots.

Subd. 1a. If a Any person applies in person for an desiring to vote by absentee ballot and who must register by enclosing a completed

registration card with his ballot, his application shall not be accepted unless he shall present, at the time of his application, provide proof of residence as required by this subdivision. Applicants in person shall present, at the time of application, proof of residence as required by section 201.061, subdivision 3. Applicants by mail shall present proof of residence by enclosing a completed proof of residence certificate with his ballots and registration card. The certificate shall contain a signed statement by the person witnessing the marking of the absentee ballots that the voter presented to that person proof of his residence as required by section 201.061, subdivision 3.

Subd. 2. An eligible voter may apply for an absentee ballot on election day if he becomes a resident or patient on the day before election in a health care facility or hospital located in the municipality to which he applies. The voter may request and if he requests an absentee ballot application directly from the judges engaged in delivering ballots pursuant to section 207.31 or by telephone to the municipal clerk not later than 5 p.m. on the day before election day. An application shall be delivered to any such voter by the judges designated to deliver ballots pursuant to section 207.31.

Subd. 3. Any person who shall wilfully make or sign any false certificates specified herein; any person who shall wilfully make any false or untrue statement in any "application for ballots"; any person who shall wilfully exhibit to any other person any ballot marked by him; any person who shall in any way wilfully do any act contrary to the terms and provisions of this chapter with intent to cast an illegal vote in any precinct or to aid another in so doing shall be guilty of a felony. If the person applying for a ballot resides in a political subdivision which does not accept registration other than on election day and the individual is not registered in that political subdivision, the county auditor shall send a registration card and instructions for completing the registration card along with the ballots and envelopes. Upon receipt of an application for ballots submitted by mail, the county auditor or municipal clerk receiving the application shall determine whether the applicant is a registered voter. If the applicant is not registered to vote, the auditor or clerk shall include a registration card, proof of residence certificate, and instructions for completing them, among the election materials mailed to the applicant.

Subd. 4. For the purposes of this chapter, "municipal clerk" shall mean means the full time clerk designated pursuant to this section.

Sec. 13. Minnesota Statutes 1976, Section 207.04, is amended to read:

207.04 [SUPPLIES OF BALLOTS AND APPLICATIONS.]
 Subdivision 1. [BALLOTS.] The several officers charged by law with the preparation, printing, and distribution of ballots shall, at least 15 days before any election, print and deliver to the county auditor and to the municipal clerk a sufficient number of the ballots printed under their supervision, respectively, to enable the auditor and the municipal clerk to comply with the provisions of

this chapter. It shall be the duty of the county auditor and the municipal clerk to prepare and print the ballots prepared under his direction at least 15 days before such election.

Subd. 2. [APPLICATIONS.] The county auditor or the municipal clerk shall prepare and print a suitable number of blanks for the application for ballots and deliver a copy of the application to any voter who requests one.

Sec. 14. Minnesota Statutes, 1977 Supplement, Section 207.05, Subdivision 1, is amended to read:

207.05 [APPLICATIONS FILED WITH AUDITOR OR MUNICIPAL CLERK; DELIVERY OF BALLOT.] Subdivision 1. [APPLICATION, DELIVERY.] If any application is made either in person or by mail more than 30 days before election, the auditor or the municipal clerk shall file the same and forthwith on the delivery to him of the ballots, shall mail *the ballots and other materials required by this chapter* to the applicant without charge, at the address specified in the application one each of the several ballots the applicant is entitled to vote upon at the next election ; also the envelope hereinafter specified . If the application is made within 30 days of the election, he shall forthwith upon receipt of such *the application* or as soon thereafter as ballots are available, mail ; ~~or deliver the ballots and other materials required by this chapter to the applicant,~~ without charge ; ~~if he apply therefor to any voter who applies by mail, or deliver the ballots and materials to any voter who applies in person ; in the manner provided in section 207.03; one each of the several ballots the applicant is entitled to vote upon at the next election ; also the envelopes hereinafter specified in his office .~~ The provisions of this subdivision shall not be construed to require mailing of absentee ballots to applicants to whom delivery by election judges is required pursuant to section 207.31.

Sec. 15. Minnesota Statutes 1976, Section 207.06, is amended to read:

207.06 [FEES.] The expense of such *any* extra clerical assistance as may be required for the performance by the auditor or by the municipal clerk of the duties imposed by this chapter; the cost of furnishing and printing the application blanks , specified in section 207.03; ~~the cost of furnishing and printing the envelopes and, proof of residence certificates and voters' certificates herein specified ; the cost of postage both in for forwarding and for the return of returning the ballots as herein specified ; and in the cost of delivering endorsed applications to the judges of the several precincts in his the county or in his municipality the applications after the same have been endorsed by him as herein specified , shall be paid by the county or by the municipality.~~

Sec. 16. Minnesota Statutes 1976, Section 207.08, is amended to read:

207.08 [RETURN AND BALLOT ENVELOPES, DIRECTIONS TO VOTERS.] Subdivision 1. The county auditor of each of the several counties or the municipal clerk of each of the several

municipalities shall mail or deliver to the applicant with the ballots two envelopes a return envelope, a ballot envelope and "a copy of the directions to voters" as prescribed by this section. One envelope shall be known as The "return envelope" herein described, shall be of sufficient size to conveniently enclose and contain the "ballot envelope" herein described and a voter registration card. There shall be printed or written across the left hand end of this envelope, by the auditor or by the municipal clerk, before delivery thereof to the applicant, the words:

"Return Envelope

Postmaster to deliver on Election Day."

The auditor or the municipal clerk shall also cause this "Return Envelope" to be addressed to the "Judges of Election" in the precinct in which the applicant is entitled to vote. Such address shall be in substantial conformity to one of the illustrations herein set forth and as the facts may require:

"To the Judges of Election,

Seventh Precinct, Third Ward,

City of Minneapolis,

Hennepin County,

Minnesota."

"To the Judges of Election, Rosedale Town,

(Here insert name of post office nearest voting place)

Hennepin County, Minnesota."

"To the judges of Election, City of Excelsior,

Excelsior, Hennepin County, Minnesota."

If the auditor does not know or cannot ascertain the precinct in which the applicant is entitled to vote he shall cause the Return Envelope to be addressed to the clerk of the municipality in which the applicant is entitled to vote. Such address shall be in substantial conformity to one of the illustrations herein set forth and as the facts may require:

"To the Town Clerk of the Town of Fisher

For the Judges of Election of the Precinct

in which Box 32, Route 3, Fisher, Minnesota is situated.

Town Hall, Town of Fisher,

Blue Earth County, Minnesota."

"To the Town Clerk of the Town of White

For the Judges of Election of the Precinct

in which Route 3, Aurora, Minnesota is situated.

City of Aurora

St. Louis County, Minnesota."

The auditor may vary any such form for addressing "Return Envelope" as the facts may require, but shall adopt such form of address as will best insure the prompt delivery of such envelope and contents to the judges on election day. If the Return Envelope is addressed to the clerk of a municipality it shall contain a notation in bold face type reading substantially as follows:

"Clerk of

.....

(Here insert name of municipality)

Deliver this envelope to the correct Election Precinct immediately upon receipt thereof." The county auditor or the municipal clerk shall also affix to this "return envelope" United States postage stamps sufficient in amount to pay the required United States postage on the "Return Envelope," after the ballot envelope and voter's certificate herein prescribed have been enclosed therein. If necessary to assure delivery to the judges of election in the polling place by the postmaster, the county auditor or the municipal clerk shall affix to this "Return Envelope" United States postage stamps necessary for special delivery.

There shall be printed on the back of this "Return Envelope" a certificate which shall be substantially in the following form:

"VOTER'S CERTIFICATE

County of)

+ ss

State of)

I do swear that I am a citizen of the United States; that I am an eligible voter; that I am an actual resident of the election precinct indicated by my address in my application; that I do not intend to abandon my residence in said precinct prior to such date; that at said time I will be a qualified voter in said precinct.

(Signed)

(Voter)

Subscribed and sworn to before me this day of A.D., and I hereby certify that the affiant exhibited the enclosed ballots to me unmarked; that he then in my presence and in the presence of no other person, and in such manner that I could not see his vote, marked such ballots and enclosed and sealed the same in the ballot envelope; or that he was physically incapacitated from marking his ballots and that at his request I marked the ballots for him; that the affiant was

not solicited or advised by me for or against any candidate or measure.

(Attesting Witness)

Official Title or address where witness is registered voter or address of residence from which the witness voted if he resides where there was no permanent registration)

(Here write name of office or official character of attesting witness, such as notary public, postmaster, etc. or that the witness is an eligible voter in the absentee's county, who has voted within the last four years.)"

The return envelope shall be so made as *designed* to open on the left hand end and the . A certificate above set forth of eligibility to vote by absentee ballots shall be printed on the right hand three-fourths of the back of the envelope. *The certificate shall contain a statement to be signed and sworn by the voter indicating that the voter meets all of the requirements provided by law to vote by absentee ballot. The certificate shall also provide for signature by an eligible voter of the county in which the absent voter resides or by a notary public, United States postmaster, assistant postmaster, postal supervisor, clerk of a postal service contract station or other person authorized to administer oaths.*

The following "The county auditor or municipal clerk shall print directions to Voters" for casting an absentee ballot shall be printed and furnished furnish a copy of the directions to each voter at the time such the ballots are mailed or delivered in person . *The directions may include instructions for registering to vote.*

"DIRECTIONS TO VOTERS"

"(1) Locate a Notary Public, United States Postmaster, Assistant United States postmaster, postal supervisor, clerk in charge of contract postal station, or any officer having authority to administer an oath or take an acknowledgment or an eligible voter in your county, who has voted in the last four years.

(2) Exhibit the ballots to be voted on to such person unmarked.

(3) In his presence mark the ballots in such a manner that he cannot see your vote. If you are physically incapacitated, you may ask him to mark your ballot for you.

(4) Fold each ballot separately so that your cross marks cannot be seen without unfolding, but so that facsimile signature of officer (secretary of state, county auditor, or municipal clerk) on back of ballot can be seen without unfolding ballot. Do not put your name, initials, or any other identifying mark on the ballots.

(5) Enclose all the ballots in the 'Ballot Envelope' and seal the envelope.

(6) Sign your name on back of the 'Return Envelope.' The person taking your acknowledgement must sign his name as attesting witness, and, if he is an official, indicate his official title, insert proper date, and affix his official seal, or, in the case of postal authorities previously mentioned, the cancellation stamp of their respective post offices. When the person taking your acknowledgement is an eligible voter of your county he must state the fact below his signature. Insert the 'Ballot Envelope' in the 'Return Envelope' and seal the 'Return Envelope.'

(7) Deposit the 'Return Envelope' in the mail in the presence of the attesting witness or have him do it for you.

(8) The ballots may be marked and mailed at any time after you receive them from the county auditor or from the municipal clerk. However, they must be marked and mailed so that they can be delivered by the post office to the judges of election at your polling place before the polls close on election day."

Subd. 2. When absentee ballots are mailed to the absent voter, the county auditor or municipal clerk shall provide for the return of the ballots to judges in the precinct in which the voter is eligible to vote by one of the following methods:

(a) by mail to the county auditor or municipal clerk who sends the ballots to the voter and delivery by the auditor or clerk to the judges;

(b) by mail to the clerk of the town or city in which the absent voter is eligible to vote and delivery by that clerk to the judges;

(c) by mail directly to the judges of election; or

(d) any other method authorized by rules adopted by the secretary of state.

The county auditor or municipal clerk shall in all cases affix sufficient postage to return envelopes to assure return of the ballots to the judges by election day. When absentee ballots are delivered by election judges pursuant to section 207.31, the ballots shall be returned in person to the municipal clerk by the judges who delivered them and the clerk shall deliver the ballots to the judges in the precincts.

The secretary of state shall adopt rules establishing the procedures to be used for each method of returning ballots permitted by clauses (a) to (c), including procedures necessary to assure accurate and timely delivery of ballots by the United States postal service, and may authorize additional methods and procedures of return.

Sec. 17. Minnesota Statutes 1976, Chapter 207, is amended by adding a section to read:

[207.085] [FORM AND CONTENT OF REQUIRED MATERIALS; RULES OF SECRETARY OF STATE.] *The secretary of state shall adopt rules establishing the form, content, and type size and style for the printing of applications for absentee ballots.*

proof of residence certificates, return envelopes, certificates of eligibility to vote by absentee ballot, ballot envelopes and directions for casting an absentee ballot. Any official charged with the duty of printing any of these materials shall do so in accordance with these rules.

Sec. 18. Minnesota Statutes 1976, Section 207.09, is amended to read:

207.09 [ENDORSEMENT OF APPLICATION; RECEIPT AND DELIVERY OF BALLOTS.] *Subdivision 1. [ENDORSEMENT OF APPLICATION.] When the county auditor or the municipal clerk on mailing or delivering mails or delivers ballots to an applicant ballots as hereinbefore specified, he shall date and sign or cause to be signed by his deputy, and date the certificate printed on the application for ballots and shall authenticate such certificate his signature with his official seal. All applications shall be preserved by the auditor or the municipal clerk and arranged by him according to precincts and the initial letter of the surname of the applicant.*

Subd. 2. [DELIVERY BY AUDITOR AND TOWN AND CITY CLERKS.] At the time On the day before election day the county auditor delivers the state and county ballots shall deliver to the town and city clerks within his county, he shall also deliver to the respective town and city clerks the applications theretofore received by him and endorsed by him. Such The town and city clerks shall in turn deliver said those endorsed applications so endorsed together with the applications filed with their respective offices to the respective judges of the several precincts.

Sec. 19. Minnesota Statutes, 1977 Supplement, Section 207.10, is amended to read:

207.10 [VOTER TO MAIL BALLOT.] Any qualified voter of any precinct of this state to whom ballots have been mailed or delivered by the county auditor or by the municipal clerk, may mark and mail the those ballots so delivered to him at any place, the same to be marked and mailed in the manner specified in the directions to voters, set forth in section 207.08, and before an attesting witness belonging to one of the classes specified in the directions to voters for casting an absentee ballot. Ballots delivered to qualified voters pursuant to section 207.31 may be returned in person to the municipal clerk by the judges who delivered the ballots. The municipal clerk shall forthwith deliver those ballots to the judges of the appropriate precincts either by mail or in person. A voter to whom ballots have been delivered in person may leave his marked ballots with the county auditor or municipal clerk who shall deliver or forward them in accordance with section 207.08, subdivision 2.

Sec. 20. Minnesota Statutes, 1977 Supplement, Section 207.11, is amended to read:

207.11 [JUDGES TO RECEIVE AND COUNT BALLOTS.] *Subdivision 1. [RECEIPT OF RETURN ENVELOPES.] The judges in the several precincts at any election shall receive all*

ballots return envelopes delivered to them on election day by officers or employees of the United States post office department in due course of the business of that department postal service or by the auditor or town or city clerk of the municipality, and as herein provided, and deposit the same in the appropriate ballot box provided that they are satisfied that the person is a voter in such precinct and entitled to vote therein at such election; provided, further, that the conditions precedent hereinafter set forth, exist. Ballots so deposited shall be counted, canvassed and returned and shall be given the same force and effect as the votes of other duly qualified voters who vote in person.

Subd. 2. [EXAMINATION OF RETURN ENVELOPES.] Upon a "Return Envelope" being delivered to The judges they shall open the same examine the return envelopes and receive or reject absentee ballots in such a the manner as not to cut or mutilate the contents or deface or damage the certificate or the signatures thereto on the outside thereof. They shall compare the signature of the voter on the outside of the "return envelope" with the signature on the "application for ballots" delivered to them as provided herein provided in this subdivision. The judges or one or more of them shall mark the ballot envelope "Received" and place his or their initials or names below the word "Received," if:

(a) the judges or a majority of them, shall be are satisfied that the signature of the voter subscribed to on the "voter's certificate" printed on the return envelope is the genuine signature of the person who made the "application for ballots," and if the signature of the voter the certificate has been properly authenticated completed as prescribed in the "directions to voters" set forth in this chapter, the judges, or one or more of them shall write the word "Received" on such "Ballot Envelope" and under such word his or their name or initials for casting an absentee ballot;

Subd. 3. (b) In municipalities where with a permanent voter registration is required no ballot envelope may be marked "Received" nor ballots accepted unless system, the voter who has mailed the ballots is registered and eligible to vote in the precinct or has included a properly completed registration form card and proof of residence certificate in the return envelope.

Subd. 4. The ballots shall not be so marked with the word "Received" if it appears from the registration file that such or, in municipalities with no permanent voter registration system, the address of the voter lies within the precinct; and

(c) The voter has not already voted at such that election, either in person or by mail. If the voter who has mailed the ballots fails to comply with the requirements of this section or has previously voted at such election, then such "judges find that an absent voter has failed to meet one of the requirements prescribed in clauses (a) to (c), they shall remove the ballot envelope from the return envelope, mark the ballot envelope" shall be marked "Rejected" and placed place it back in the "return envelope" and placed with and returned return it to the county auditor with

the unused ballots. No person who voted by mail as herein provided shall be permitted to thereafter vote in person in the same election.

Subd. 5 3 . [NOTATION ON REGISTRATION CARD OR ELECTION REGISTER.] If the " ballot envelope " is marked with the word "Received", the judges in charge of the register shall make an appropriate notation on the register of voters indicating record the fact that the voter has voted by mail ; on the voter registration card or on the election register in precincts with no permanent voter registration. This shall be done by placing the letters "V.M." in the appropriate column opposite the voter's name space on the card or register . No person who has voted by mail shall thereafter be permitted to vote in person at that election.

Subd. 6 4 . [PLACEMENT IN CONTAINER; OPENING AND COUNTING OF BALLOTS.] The Any " ballot envelope " marked "Received" shall be placed by the judges in a separate absentee ballot box container until . The container and each ballot envelope may be opened after the last regular mail delivery by the United States post office department postal service on the election day. The absentee ballot box and each " ballot envelope " may then be opened , ballots therein shall then be initialled , counted and tabulated by the election judges in the same manner as ballots delivered by them to voters in person and shall be deposited in the appropriate ballot box. Ballots so deposited shall be counted, canvassed and returned and shall be given the same force and effect as the votes of other duly qualified voters who vote in person . If there be more than one ballot of any kind enclosed in said the " ballot envelope, " then and in such case neither of such ballots of such ballot of that kind shall be counted but all such kinds ballots of that kind shall be placed with the spoiled ballots and returned as is provided for by law with reference to such spoiled ballots. The judges shall write their initials on absentee ballots in the same manner as is provided by law with reference to ballots delivered by them to voters in person. No count results from any precinct shall be disclosed by any election official or other individual until all count results are available, nor shall the public media disclose any count results from any precinct before the polls are closed.

Subd. 5. [EXCEPTION FOR ABSENTEE BALLOT PRECINCTS.] In municipalities with an absentee ballot precinct the judges shall receive and process return envelopes and ballot envelopes as provided in this section except that the ballot envelopes marked "Received" shall be delivered in an absentee ballot container to the absentee ballot precinct for the counting of ballots as soon as possible after processing. The judges shall include the vote totals provided by the absentee ballot precinct in the vote totals on the summary statements of the returns for that precinct.

Sec. 21. Minnesota Statutes 1976, Section 207.30, Subdivision 2, is amended to read:

Subd. 2. [ESTABLISHMENT.] Any city or town charged with

the responsibility of elections may by ordinance of The governing body of such *any* municipality *may by ordinance* establish an absentee ballot precinct.

Sec. 22. Minnesota Statutes 1976, Section 207.30, Subdivision 3, is amended to read:

Subd. 3. [COMPOSITION AND DUTIES.] An absentee ballot precinct shall be a *consist of an election* board set up by the designated election official of a municipality whose duties shall be as follows:

(a) Receive all absentee ballots of the electorate of the municipality for any election.

(b) Check the registration of each absentee ballot.

(c) Determine the precinct of each absentee ballot voter and report the results of such election to each precinct with such results to be tabulated with that precinct.

(d) Prepare a list for submission to each precinct within the municipality prior to the close of the election day for the precinct officials to check against the voter registration file to ascertain if any absentee ballot voter voted by person.

(e) Reject any absentee ballots of persons who had voted at a precinct making a notation on the envelope of the absentee ballot as to the reason for rejection.

(f) After the polls have closed in the municipality the board shall count the absentee ballots by opening them and tabulating the vote of each absentee ballot voter in a manner which will indicate each vote of the absentee voter and designate that the vote was received by absentee ballot by the city or town clerk. The board shall:

(a) Receive from each regular precinct all ballot envelopes marked "Received" by the precinct judges;

(b) Open and count the absentee ballots, tabulating the vote in a manner that indicates each vote of the absentee voter and the total absentee vote cast for each candidate or question in each precinct; and

(c) Report the vote totals tabulated for each precinct to the appropriate precinct judges.

Sec. 23. Minnesota Statutes 1976, Section 207.30, Subdivision 4, is amended to read:

Subd. 4. [APPOINTMENT OF MEMBERS.] The election official of each municipality *city or town clerk* shall be charged with the responsibility, after an ordinance has been adopted by the governing body of the municipality, to appoint the number of persons he deems necessary to carry out the duties of the absentee ballot precinct.

Sec. 24. Minnesota Statutes 1976, 207.30, Subdivision 5, is amended to read:

Subd. 5. [COMPENSATION OF MEMBERS.] The election official of each municipality city or town clerk shall pay a reasonable compensation to each member of the absentee ballot precinct for his services rendered during each election.

Sec. 25. Minnesota Statutes 1976, Section 207.30, Subdivision 6, is amended to read:

Subd. 6. [APPLICABLE LAWS.] Except as otherwise provided by this section, all of the laws applicable to absentee ballots and absentee voters as well as any other applicable and all other provisions of law as contained within the election laws of this state and specifically this chapter, shall apply to the ballots handled by the an absentee ballot precinct. It is intended by this section that an absentee ballot precinct may be established and that the provisions of this section are to be supplementary to the election laws of the state.

Sec. 26. Minnesota Statutes, 1977 Supplement, Section 207.31, is amended to read:

207.31 [HOSPITAL PATIENTS AND HEALTH CARE FACILITY RESIDENTS.] Each municipal clerk shall designate election judges to deliver absentee ballots to any eligible voter who has applied for an absentee ballot as provided in section 207.03 and who is a resident or patient in a health care facility or hospital located in the municipality to which the application has been submitted. The ballots shall be delivered to any such voter by two election judges, each of whom is affiliated with a different political party. When the judges are engaged in delivering or returning ballots as provided in this section, they shall travel together in the same vehicle. Both judges shall be present when an applicant completes his voter's certificate and casts his absentee ballot, and may assist an applicant to mark his ballot in the manner provided in section 204A.34. The judges shall deposit the return envelopes containing the voted absentee ballots in a sealed container and deliver them to the clerk on the same day that they are delivered and cast. Except as provided in subdivision 2, The judges shall deliver the absentee ballots to the applicant during the ten days preceding an election except that ballots may be delivered on election day to any voter who has applied for ballots pursuant to section 207.03, subdivision 2.

Sec. 27. [REVISOR'S INSTRUCTION.] In the next edition of Minnesota Statutes, the revisor of statutes shall

(a) delete the words "commissioner of voter registration" or "commissioner" in Minnesota Statutes, Chapter 201, and insert in lieu thereof the words "secretary of state" or "secretary", and

(b) delete all capital letters and quotation marks appearing in connection with the terms "Return Envelope," "Ballot Envelope," "Directions to Voters," "Application for Ballots" and variations of those terms, wherever they appear in Minnesota Statutes, Chapter 207, including headnotes, as necessary to conform to the usage of those terms in this act.

Sec. 28. [REPEALER.] *Minnesota Statutes 1976, Sections 207.101, 207.12, 207.13 and 207.30, Subdivision 1, are repealed.*

Sec. 29. [EFFECTIVE DATE.] *This act is effective the day following its final enactment; provided that*

(a) *until the secretary of state adopts rules pursuant to section 17, county auditors and municipal clerks shall continue to print any form or other items heretofore required by Minnesota Statutes, Chapter 207, in accordance with the description of the form or item heretofore provided in that chapter and*

(b) *until the secretary of state adopts rules pursuant to Minnesota Statutes, Section 207.08, Subdivision 2; county auditors and municipal clerks shall provide for return of absentee ballots from voters to the judges in the precincts as heretofore provided by law."*

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "revising forms and procedures for administering absentee ballot laws;"

Page 1, line 5, before "duties" insert "powers and"

Page 1, line 8, before "207.06" insert "207.04;"

Page 1, line 8, after "207.08;" insert "207.09; 207.30, Subdivisions 2, 3, 4, 5 and 6;"

Page 1, line 8, strike "and Chapter" and insert "Chapters"

Page 1, line 9, after "section;" insert "and 207, by adding a section;"

Page 1, line 11, after "204A.13," strike "Subdivision" and insert "Subdivisions" and after "2" insert "and 6"

Page 1, line 12, after "207.03;" insert "207.05, Subdivision 1; 207.10;"

Page 1, line 12, strike "and" and before the period insert "; and 207.31; repealing Minnesota Statutes 1976, Sections 207.101; 207.12; 207.13; and 207.30, Subdivision 1"

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

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

S. F. No. 1743: A bill for an act relating to natural resources; clarifying the procedure for designation of wild, scenic and recreational rivers; amending Minnesota Statutes 1976, Section 104.35, Subdivision 3.

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

Page 1, line 9, strike "3" and insert "2"

Page 1, after line 9, insert:

"Subd. 2. The commissioner shall make the proposed management plan available to affected local governmental bodies, shoreland owners, conservation and outdoor recreation groups, *the director of the state planning agency, the governor, and the general public. The director of the state planning agency and the governor shall review the proposed management plan pursuant to the criteria specified in section 86A.09, subdivision 3, and submit any written comments to the commissioner within 60 days after receipt of the proposed management plan.* Not less than 60 days after making such information available, the commissioner shall conduct a public hearing on the proposed management plan in the county seat of each county which contains a portion of the designated area, in the manner provided in chapter 15.

Sec. 2. Minnesota Statutes 1976, Section 104.35, subdivision 3, is amended to read:

Page 1, line 13, after "*plan*" insert "*and the hearing examiner's report*"

Page 1, line 18, strike "*proposed management plan*" and insert "*hearing examiner's report*"

Page 2, line 8, strike "2" and insert "3"

Amend the title as follows:

Line 5, strike "Subdivision" and insert "Subdivisions 2 and"

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

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 1574: A bill for an act relating to the Metropolitan airport; designating the Hubert H. Humphrey International Airport; amending Minnesota Statutes 1976, Section 473.608, Subdivisions 19 and 20.

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

Page 1, line 9, before "HUBERT" insert "MINNEAPOLIS-ST. PAUL-

Page 1, line 11, before "*Hubert*" insert "*Minneapolis-St. Paul*-"

Page 1, line 17, restore the stricken "*Minneapolis-St. Paul*" and after "*St. Paul*" insert a hyphen

Page 2, line 20, restore the stricken "*Minneapolis-St. Paul*" and after "*St. Paul*" insert a hyphen

Page 2, after line 25, insert:

"Sec. 4. [REVISOR'S INSTRUCTIONS.] *In the next and subsequent editions of Minnesota Statutes, the revisor of stat-*

utes shall change all references to the "Minneapolis-St. Paul International Airport" to read "Minneapolis-St. Paul-Hubert H. Humphrey International Airport."

Sec. 5. [EFFECTIVE DATE.] *This act is effective January 1, 1979.*"

Amend the title as follows:

Page 1, line 3, after "the" insert "Minneapolis-St. Paul -"

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

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 851: A bill for an act relating to St. Louis county; fees for tax search certificate; amending Laws 1955, Chapter 633, Section 1, Subdivision 2.

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

Amend the title as follows:

Page 1, line 2, after the semicolon insert "changing the"

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

Mr. Olson from the Committee on General Legislation and Veterans Affairs, to which was referred

S. F. No. 1645: A bill for an act relating to veterans; providing tuition assistance; providing a study of academic credit for military training and experience; appropriating money; amending Minnesota Statutes 1976, Section 197.75, Subdivisions 1 and 2.

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

Page 1, line 20, strike "university of higher learning" and insert "*post secondary institution*"

Page 2, line 31, before "*who*" insert "*who is otherwise eligible but*"

Page 3, lines 2 and 3, strike the new language

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

Mr. Olson from the Committee on General Legislation and Veterans Affairs, to which was referred

S. F. No. 1698: A bill for an act relating to armories; authorizing disposition of unused armories to counties in addition to

municipalities; amending Minnesota Statutes 1976, Section 193.36, Subdivision 2.

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

Page 2, line 4, after "lapse." insert "*In the event that both the municipality and the county desire to purchase the armory, the municipality shall be given the right to purchase the armory.*"

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

Mr. Wegener from the Committee on Local Government, to which was referred the following appointment as reported in the Journal for January 17, 1978:

MINNESOTA MUNICIPAL BOARD

Robert Johnson

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

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which were referred the following appointments as reported in the Journal for January 17, 1978:

MINNESOTA CORRECTIONS BOARD

Richard F. Alstad

Mrs. Dorothy Skwiera

CRIME CONTROL PLANNING BOARD

John Sonsteng

Carol Lemcke

Gerald Benjamin

John D. Wunsch

Felipe Z. Ramirez

Thomas Motherway

Frederick D. McDougall, Sr.

Jimmy Evans

Ruth Cain

Lise Schmidt

Rosemary Ahmann

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

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Coleman from the Subcommittee on Bill Scheduling, to which were referred S. F. Nos. 1765, 1006, 1073, 1685, 1021, 837, 838, 839, 1637, 1635, and 1446 makes the following report:

That S. F. Nos. 1765, 1006, 1073, 1685, 1021, 837, 838, 839, 1637, 1635 and 1446 be placed on the General Orders Calendar in the order indicated.

That there were no other bills before the Subcommittee on which floor action was requested. Report adopted.

SECOND READING OF SENATE BILLS

S. F. Nos. 1627 and 851 were read the second time.

S. F. Nos. 1616, 1655, 318, 1606, 1206, 1662, 1647, 762, 1276, 1603, 1573, 1431, 1229, 1548, 1630, 1743 and 1698 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. Nos. 356 and 1095 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS

Mr. Davies moved that the name of Mr. Sikorski be added as co-author to S. F. No. 1310. The motion prevailed.

Mr. Benedict moved that the name of Mrs. Staples be added as co-author to S. F. No. 1594. The motion prevailed.

Mr. Humphrey moved that the name of Mrs. Staples be added as co-author to S. F. No. 1728. The motion prevailed.

Mr. Solon moved that the name of Mr. Lessard be added as co-author to S. F. No. 1877. The motion prevailed.

Mr. McCutcheon moved that the name of Mr. Johnson be added as co-author to S. F. No. 1929. The motion prevailed.

Mr. Schrom moved that the name of Mr. Lessard be added as co-author to S. F. No. 1944. The motion prevailed.

Mr. Peterson moved that the name of Mr. Lessard be added as co-author to S. F. No. 1947. The motion prevailed.

Mr. Chmielewski moved that the names of Messrs. Willet and Schrom be added as co-authors to S. F. No. 1428. The motion prevailed.

Mr. Willet moved that S. F. No. 2034 be withdrawn from the Committee on Health, Welfare and Corrections and re-referred to the Committee on Agriculture and Natural Resources. The motion prevailed.

Mr. Sieloff introduced—

Senate Resolution No. 27. A Senate resolution relating to the engrossment and printing of House bills amended by the Senate which are to be known as "Unofficial Engrossments", amending Senate Rule No. 41.

Be It Resolved, by the Senate, that Senate Rule 41 be amended by adding a paragraph to read:

Upon a motion being made and supported by six members, the Secretary of the Senate shall engross and print a House bill amended by the Senate which shall be known as an Unofficial Engrossment.

Referred to the Committee on Rules and Administration.

Mr. Perpich moved that the report from the Committee on Health, Welfare and Corrections, reported January 24, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Perpich moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Perpich moved that in accordance with the report from the Committee on Health, Welfare and Corrections, reported January 24, 1978, the Senate, having given its advice, do now consent to and confirm the appointments of:

MINNESOTA BOARD ON AGING

Marty Martinovich, Eveleth, St. Louis County, effective January 3, 1977, for a term expiring the first Monday in January, 1979.

Joe Sherin, 2191 East Third Street, St. Paul, Ramsey County, effective January 3, 1977, for a term expiring the first Monday in January, 1979.

Archie Baumann, 307 East Chestnut, Redwood Falls, Redwood County, effective April 20, 1977, for a term expiring the first Monday in January, 1980.

The motion prevailed. So the appointments were confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Perpich moved that the report from the Committee on Health, Welfare and Corrections, reported January 24, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Perpich moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Perpich moved that in accordance with the report from the Committee on Health, Welfare and Corrections, reported January 24, 1978, the Senate, having given its advice, do now consent to and confirm the appointments of:

MINNESOTA BOARD ON AGING

Sharon Roe Anderson, 5701 Bryant Avenue South, Minneapolis, Hennepin County, effective January 3, 1977, for a term expiring the first Monday in January, 1979.

William Brummer, 114 South Main Street, Crookston, Polk County, effective January 3, 1977, for a term expiring the first Monday in January, 1979.

Dr. Virgil Christensen, 239 West Skyline, Mankato, Blue Earth County, effective January 3, 1977, for a term expiring the first Monday in January, 1979.

Nathaniel Chumley, Route One, Tenstrike, Beltrami County, effective January 3, 1977, for a term expiring the first Monday in January, 1979.

Mrs. William Fenelon, 859 Linwood Avenue, St. Paul, Ramsey County, effective January 3, 1977, for a term expiring the first Monday in January, 1979.

Father Alcuin Henger, Madonna Towers, Rochester, Olmsted County, effective January 3, 1977, for a term expiring the first Monday in January, 1979.

Helga Neilsen, 635 Harmony, Hutchinson, McLeod County, effective January 3, 1977, for a term expiring the first Monday in January, 1979.

Erma St. George, Bagley, Clearwater County, effective January 3, 1977, for a term expiring the first Monday in January, 1979.

Leo Skarda, Route 2, Box 224, Lindstrom, Isanti County, effective January 3, 1977, for a term expiring the first Monday in January, 1979.

Harold Windingstad, Jr., Dawson, Lac qui Parle County, effective January 3, 1977, for a term expiring the first Monday in January, 1979.

GILLETTE HOSPITAL BOARD

Harold Schultz, 1176 East Hawthorne Avenue, St. Paul, Ramsey County, effective January 3, 1977, for a term expiring January 1, 1983.

Clifford Retherford, 7007 West Shore Drive, Edina, Hennepin County, effective January 3, 1977, for a term expiring January 1, 1983.

The motion prevailed. So the appointments were confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Perpich moved that the report from the Committee on Health, Welfare and Corrections, reported February 2, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Perpich moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Perpich moved that in accordance with the report from the Committee on Health, Welfare and Corrections, reported February 2, 1978; the Senate, having given its advice, do now consent to and confirm the appointment of:

**DEPARTMENT OF HEALTH
COMMISSIONER**

Dr. Warren Lawson, 5133 Mirror Lakes Drive, Edina, Hennepin County, effective December 6, 1977, for a term expiring the first Monday in January, 1979.

The motion prevailed. So the appointment was confirmed.

THIRD READING OF SENATE BILLS

S. F. No. 1610: A bill for an act relating to elections; providing for the official identification of ballots; amending Minnesota Statutes 1976, Sections 123.32, Subdivision 5; 203A.13; 203A.15; and 206.17.

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 2, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knutson	Penny	Spear
Ashbach	Frederick	Laufenburger	Perpich	Stokowski
Bang	Gearty	Lessard	Peterson	Stumpf
Benedict	Gunderson	Luther	Pillsbury	Tennessee
Bernhagen	Hughes	McCutcheon	Purfeerst	Ueland, A.
Borden	Humphrey	Menning	Renneke	Vega
Brataas	Johnson	Merriam	Schmitz	Wegener
Chmielewski	Keefe, J.	Moe	Schrom	Willet
Coleman	Keefe, S.	Nelson	Setzenfandt	
Davies	Kirchner	Nichols	Sieloff	
Dieterich	Kleinbaum	Olhoff	Sillers	
Dunn	Knaak	Olson	Solon	

Messrs. Jensen and Ulland, J. voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 1510: A bill for an act relating to vocational rehabilitation; sheltered workshops and work activity programs; authorizing certain tax levies and fund sources for these programs; amending Minnesota Statutes 1976, Section 129A.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 55 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Knutson	Olson	Sillers
Ashbach	Engler	Laufenburger	Penny	Solon
Bang	Frederick	Lessard	Perpich	Spear
Benedict	Gearty	Luther	Peterson	Stokowski
Bernhagen	Gunderson	McCutcheon	Pillsbury	Stumpf
Borden	Jensen	Menning	Purfeerst	Tennessee
Brataas	Johnson	Merriam	Renneke	Ueland, A.
Chmielewski	Keefe, J.	Moe	Schmitz	Ulland, J.
Coleman	Keefe, S.	Nelson	Schrom	Vega
Davies	Kirchner	Nichols	Setzepfandt	Wegener
Dieterich	Knaak	Olhoff	Sieloff	Willet

So the bill passed and its title was agreed to.

S. F. No. 1066: A bill for an act relating to taxation; exempting a portion of the increase in assessed value of major electric generating facilities from the property tax.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 41 and nays 19, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Moe	Pillsbury	Stumpf
Bang	Gearty	Nelson	Purfeerst	Tennessee
Bernhagen	Gunderson	Nichols	Schaaf	Vega
Borden	Humphrey	Ogdahl	Schmitz	Wegener
Chmielewski	Kirchner	Olhoff	Schrom	Willet
Coleman	Kleinbaum	Olson	Setzepfandt	
Davies	Knaak	Penny	Sieloff	
Dieterich	McCutcheon	Perpich	Sillers	
Dunn	Merriam	Peterson	Stokowski	

Those who voted in the negative were:

Ashbach	Hughes	Keefe, S.	Luther	Spear
Benedict	Jensen	Knutson	Menning	Ueland, A.
Brataas	Johnson	Laufenburger	Renneke	Ulland, J.
Engler	Keefe, J.	Lessard	Solon	

So the bill passed and its title was agreed to.

CONSENT CALENDAR

S. F. No. 1178: A bill for an act relating to the town of McDavitt; authorizing the town to issue general obligations for acquisition and betterment of a town hall.

With the unanimous consent of the Senate, Mr. Perpich moved to amend S. F. No. 1178 as follows:

Page 2, line 5, strike "the official" and insert "a"

Page 2, line 6, after "newspaper" insert "of general circulation published in the county"

Page 2, line 11, strike "county" and insert "town"

Page 2, line 12, strike "county auditor" and insert "town clerk"

The motion prevailed. So the amendment was adopted.

S. F. No. 1178 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 59 and nays 1, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Knaak	Olson	Sillers
Bang	Frederick	Knutson	Penny	Solon
Benedict	Gearty	Laufenburger	Perpich	Spear
Bernhagen	Gunderson	Lessard	Peterson	Stokowski
Borden	Hughes	Luther	Pillsbury	Stumpf
Brataas	Humphrey	McCutcheon	Purfeerst	Tennesen
Chenoweth	Jensen	Menning	Renneke	Ueland, A.
Chmielewski	Johnson	Moe	Schaaf	Ulland, J.
Coleman	Keefe, J.	Nelson	Schmitz	Vega
Davies	Keefe, S.	Nichols	Schrom	Wegener
Dieterich	Kirchner	Ogdahl	Setzepfandt	Willet
Dunn	Kleinbaum	Olhoff	Sieloff	

Mr. Merriam voted in the negative.

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

S. F. No. 1713: A bill for an act relating to the city of Minneapolis; providing for the extended assignment of city employees to the riverfront development coordination board.

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:

Anderson	Engler	Knutson	Olson	Sillers
Ashbach	Frederick	Laufenburger	Penny	Solon
Bang	Gearty	Lessard	Perpich	Spear
Benedict	Gunderson	Lewis	Peterson	Stokowski
Bernhagen	Hughes	Luther	Pillsbury	Stumpf
Borden	Humphrey	McCutcheon	Purfeerst	Tennesen
Brataas	Jensen	Menning	Renneke	Ueland, A.
Chenoweth	Johnson	Merriam	Schaaf	Ulland, J.
Chmielewski	Keefe, J.	Moe	Schmitz	Vega
Coleman	Keefe, S.	Nelson	Schrom	Wegener
Davies	Kirchner	Nichols	Setzepfandt	Willet
Dieterich	Kleinbaum	Ogdahl	Sieloff	
Dunn	Knaak	Olhoff	Sikorski	

So the bill passed and its title was agreed to.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Gearty in the chair.

After some time spent therein, the committee arose, and Mr. Gearty reported that the committee had considered the following:

S. F. Nos. 910, 1758, 1282, 1285, 1602 and H. F. No. 1792 which the committee recommends to pass.

S. F. No. 1727, which the committee recommends to pass with the following amendment offered by Mr. Moe:

Page 1, line 7, after "2," insert "Subdivision 2,"

Page 1, delete lines 9 to 22

Page 2, delete lines 1 to 11

Page 2, line 15, reinstate "In the county of Clearwater,"

Page 2, line 32, after "Half" insert "*of the Southwest Quarter*"

Amend the title as follows:

Line 4, after "2" insert ", Subdivision 2"

Mr. Jensen moved to amend S. F. No. 1727 as follows:

Pages 3 and 4, strike section 2

Renumber the remaining section

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 4 and nays 45, as follows:

Mrs. Brataas, Messrs. Dieterich, Jensen and Mrs. Knaak voted in the affirmative.

Those who voted in the negative were:

Anderson	Gearty	Lessard	Perpich	Sikorski
Benedict	Gunderson	Lewis	Peterson	Solon
Bernhagen	Humphrey	Luther	Pillsbury	Spear
Borden	Johnson	Menning	Purfeerst	Staples
Chmielewski	Keefe, J.	Merriam	Renneke	Stumpf
Coleman	Keefe, S.	Moe	Schaaf	Tenessen
Davies	Kleinbaum	Nelson	Schmitz	Ulland, J.
Engler	Knutson	Oihoft	Setzepfandt	Wegener
Frederick	Laufenburger	Penny	Sieloff	Willet

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

S. F. No. 438 which the committee reports progress, subject to the following motion:

Mr. Tennessen moved to amend S. F. No. 438 as follows:

Page 2, line 26, strike "*interest*" and insert "*intent*"

Page 4, line 30, before the period insert "*and shall apply to applications for certificates of authorization filed on that date and thereafter*"

The motion prevailed. So the amendment was adopted.

S. F. No. 438 was then progressed.

On motion of Mr. Coleman, the report of the Committee of the whole, as kept by the Secretary, was adopted.

Without objection, the Senate reverted to the Order of Business of Introduction and First Reading of Senate Bills.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Schaaf, Lewis, Coleman, Borden and Ogdahl introduced—

S. F. No. 2036: A bill for an act relating to the organization and operation of state government; stating a legislative policy regarding executive branch reorganization; creating a council on state government reorganization; requiring a report and recommendations; appropriating money.

Referred to the Committee on Governmental Operations.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 9:30 o'clock a.m., Monday, February 13, 1978. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SEVENTY-FIRST DAY

St Paul, Minnesota, Monday, February 13, 1978

The Senate met at 9:30 o'clock a.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. Winfield Johnson.

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

Anderson	Frederick	Knutson	Penny	Sillers
Ashbach	Gearty	Laufenburger	Perpich	Solon
Bang	Gunderson	Lessard	Peterson	Staples
Benedict	Hanson	Luther	Pillsbury	Stokowski
Bernhagen	Hughes	McCutcheon	Purfeerst	Strand
Borden	Johnson	Menning	Renneke	Stumpf
Chmielewski	Keefe, J.	Merriam	Schaaf	Tennessee
Coleman	Keefe, S.	Moe	Schmitz	Ueland, A.
Davies	Kirchner	Nelson	Schrom	Ulland, J.
Dieterich	Kleinbaum	Nichols	Setzepfandt	Vega
Dunn	Knaak	Olhoff	Sieloff	Wegener
Engler	Knoll	Olson	Sikorski	Willet

The President declared a quorum present.

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

MEMBERS EXCUSED

Mrs. Brataas, Messrs. Chenoweth, Lewis, Ogdahl, and Spear were excused from the Session of today.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received and referred to the committees indicated:

February 8, 1978

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

The following appointment to the Public Service Commission is hereby respectfully submitted to the Senate for confirmation as required by law:

Arlen I. Erdahl, 20 West Imperial Drive, West St. Paul, Dakota

County, has been appointed by me, effective January 1, 1978, for a term expiring the first Monday in January, 1984.

Referred to the Committee on Commerce.

January 28, 1978

The following appointment to the Tax Court of Appeals is hereby respectfully submitted to the Senate for confirmation as required by law:

Jack Fena, 311 East Howard Street, Hibbing, St. Louis County, has been appointed by me, effective January 1, 1977, for a term expiring January 1, 1981.

Referred to the Committee on Judiciary.

Sincerely,
Rudy Perpich, Governor

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Johnson, Lessard and Perpich introduced—

S. F. No. 2037: A bill for an act relating to municipalities; purpose and name of range association of municipalities and schools; amending Minnesota Statutes 1976, Section 471.58.

Referred to the Committee on Local Government.

Mrs. Brataas; Messrs. Frederick; Ueland, A.; Knutson and Mrs. Knaak introduced—

S. F. No. 2038: A bill for an act relating to education; school aids; increasing foundation aid; amending Minnesota Statutes, 1977 Supplement, Section 124.212, Subdivision 7b.

Referred to the Committee on Education.

Messrs. Laufenburger, Penny, Purfeerst, Frederick and Bang introduced—

S. F. No. 2039: A bill for an act relating to securities; corporate takeovers; defining target company; amending Minnesota Statutes 1976, Section 80B.01, Subdivision 9.

Referred to the Committee on Judiciary.

Mr. Olhoft introduced—

S. F. No. 2040: A bill for an act relating to waters; clarifying legislative intent with regard to the designation and use of "public waters"; amending Minnesota Statutes 1976, Section 105.38.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Vega introduced—

S. F. No. 2041: A bill for an act relating to the city of South St. Paul; authorizing an on-sale liquor license for Wakota arena.

Referred to the Committee on Commerce.

Messrs. Luther and Humphrey introduced—

S. F. No. 2042: A bill for an act relating to the city of Brooklyn Center; police membership in public employees police and fire fund; repealing Laws 1967, Chapter 736.

Referred to the Committee on Governmental Operations.

Messrs. Luther and Humphrey introduced—

S. F. No. 2043: A bill for an act relating to the city of Brooklyn Center; firemen's relief association; amending Laws 1967, Chapter 815, Sections 1; 2; 3; 4; 5; 7; and 8, Subdivision 1.

Referred to the Committee on Governmental Operations.

Mrs. Brataas, Messrs. Dunn, Frederick, Borden and Ashbach introduced—

S. F. No. 2044: A bill for an act relating to insurance; permitting employees to opt for lower benefits provided by certain group insurance contracts; amending Minnesota Statutes 1976, Section 471.616, Subdivision 1.

Referred to the Committee on Commerce.

Messrs. Nelson, Vega, Setzepfandt and Hanson introduced—

S. F. No. 2045: A bill for an act relating to the division of highway patrol; concerning salaries; increasing the salary of a corporal; amending Minnesota Statutes, 1977 Supplement, Section 299D.03, Subdivision 2.

Referred to the Committee on Governmental Operations.

Messrs. Stumpf, Chenoweth, McCutcheon and Benedict introduced—

S. F. No. 2046: A bill for an act relating to metropolitan government; providing for an advisory referendum on whether to issue revenue bonds for a metropolitan sports facility.

Referred to the Committee on Governmental Operations.

Messrs. Olson; Keefe, J.; Penny; Chmielewski and Gunderson introduced—

S. F. No. 2047: A bill for an act relating to veterans; commissioner of veterans affairs; providing for appeals from and enforcement of his decisions; amending Minnesota Statutes 1976, Section 197.481, Subdivision 6, and by adding a subdivision.

Referred to the Committee on General Legislation and Veterans Affairs.

Messrs. Davies, Kirchner and Knoll introduced—

S. F. No. 2048: A bill for an act relating to certain commercial transactions; amending provisions of the uniform commercial code governing investment securities and related provisions; amending Minnesota Statutes 1976, Sections 336.1-201; 336.5-114; 336.8-102; 336.8-103; 336.8-104; 336.8-105; 336.8-106; 336.8-107; 336.8-201; 336.8-202; 336.8-203; 336.8-204; 336.8-205; 336.8-206; 336.8-207; 336.8-208; 336.8-301; 336.8-302; 336.8-303; 336.8-304; 336.8-305; 336.8-306; 336.8-307; 336.8-308; 336.8-309; 336.8-310; 336.8-311; 336.8-312; 336.8-313; 336.8-314; 336.8-315; 336.8-316; 336.8-317; 336.8-318; 336.8-319; 336.8-320; 336.8-401; 336.8-402; 336.8-403; 336.8-404; 336.8-405; 336.8-406; 336.9-103; 336.9-203; 336.9-302; 336.9-304; 336.9-305; 336.9-309; 336.9-312; and Chapter 336, by adding sections; Minnesota Statutes, 1977 Supplement, Section 336.9-105.

Referred to the Committee on Judiciary.

Messrs. Nelson, Vega, Benedict, Olhoff and Penny introduced—

S. F. No. 2049: A bill for an act relating to retirement; excluding public service commission members from the mandatory retirement provisions of the state civil service law; amending Minnesota Statutes, 1977 Supplement, Section 43.051, Subdivision 1.

Referred to the Committee on Governmental Operations.

Mrs. Staples; Messrs. Ulland, J.; Hughes; Keefe, S. and Davies introduced—

S. F. No. 2050: A bill for an act relating to juvenile courts; disposition of delinquent children; counselling program; restitution; amending Minnesota Statutes 1976, Section 260.185, by adding a subdivision.

Referred to the Committee on Judiciary.

Messrs. McCutcheon, Sikorski, Nelson, Penny and Schmitz introduced—

S. F. No. 2051: A bill for an act relating to taxation; conforming deductions for individual income tax; reducing certain income

tax rates; increasing credits available to certain taxpayers; authorizing the commissioner of revenue to prescribe new forms; exempting newsprint and ink from sales tax; repealing employer's excise tax; amending Minnesota Statutes 1976, Sections 290.06, Subdivision 3d; 290.10; 297A.14; 297A.25, Subdivision 1; and Minnesota Statutes, 1977 Supplement, Sections 290.06, Subdivision 2c; 290.09, Subdivisions 4, 5, and 10; and 290.21, Subdivision 3; repealing Minnesota Statutes 1976, Sections 290.031, Subdivisions 1, 2, 3, 5 and 6; 290.21, Subdivision 7; and Minnesota Statutes, 1977 Supplement, Section 290.031, Subdivision 4.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Luther and Johnson introduced—

S. F. No. 2052: A bill for an act relating to credit insurance; regulating premium rates; requiring anticipated loss ratios of 50 percent or greater; amending Minnesota Statutes 1976, Section 62B.07, Subdivision 2.

Referred to the Committee on Commerce.

Messrs. Kleinbaum, Bang, Laufenburger, Solon and Penny introduced—

S. F. No. 2053: A bill for an act relating to banks; open-end loan account arrangements; authorizing alternative finance charge for use of bank credit cards; amending Minnesota Statutes 1976, Section 48.185, Subdivision 3.

Referred to the Committee on Commerce.

Messrs. Kleinbaum, Renneke and Purfeerst introduced—

S. F. No. 2054: A bill for an act relating to agriculture; appropriating money for construction and renovation of poultry research and teaching facilities at the university of Minnesota.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Kleinbaum and Laufenburger introduced—

S. F. No. 2055: A bill for an act relating to banks; authorizing a bank to establish two detached banking facilities; providing for notice and approval procedures; amending Minnesota Statutes, 1977 Supplement, Sections 47.51; 47.53; and 47.54.

Referred to the Committee on Commerce.

Messrs. Bang, Anderson, Willet, Dunn and Bernhagen introduced—

S. F. No. 2056: A bill for an act relating to the department of administration; implementing a life cycle cost analysis.

Referred to the Committee on Governmental Operations. Mr. Bang questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Messrs. Gunderson, Johnson and Purfeerst introduced—

S. F. No. 2057: A bill for an act relating to mental health; requiring counties to prepare annual plans for mental health services; providing for review and approval by the commissioner of public welfare; providing for preparation of a statewide plan for mental health services.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Gunderson, Purfeerst and Frederick introduced—

S. F. No. 2058: A bill for an act relating to highway traffic regulations; defining terms; driving rules; pedestrian rules; regulating the operation of motor vehicles, bicycles and other human powered vehicles; prescribing penalties; amending Minnesota Statutes 1976, Sections 169.01, Subdivisions 2, 3, 31, 51, and by adding a subdivision; 169.18, Subdivision 7; 169.19, Subdivisions 1 and 8; 169.20, Subdivision 4; 169.21, Subdivision 3; 169.31; and Chapter 169, by adding sections; repealing Minnesota Statutes 1976, Section 169.221.

Referred to the Committee on Transportation.

Mr. Frederick, Mrs. Brataas, Messrs. Merriam, Engler and Nelson introduced—

S. F. No. 2059: A bill for an act relating to education; transportation aid; removing certain restrictions on transportation between educational facilities; amending Minnesota Statutes, 1977 Supplement, Section 124.223.

Referred to the Committee on Education.

Messrs. Laufenburger, Bang, Spear and Borden introduced—

S. F. No. 2060: A bill for an act relating to the deposit of funds held in trust for prearranged funeral plans; amending Minnesota Statutes 1976, Sections 149.12; and 149.13.

Referred to the Committee on Commerce.

Messrs. Vega, Schmitz, Sikorski, Chmielewski and Sieloff introduced—

S. F. No. 2061: A bill for an act relating to taxation; property tax; removing certain commercial solid waste landfills from the pollution abatement and control property tax exemption; amending Minnesota Statutes 1976, Section 272.02, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Sieloff introduced—

S. F. No. 2062: A bill for an act relating to taxation; delaying the effective date of change in allocation of gross income of estates and trusts; amending Laws 1977, Chapter 423, Article I, Section 16.

Referred to the Committee on Taxes and Tax Laws.

Mr. Sieloff and Mrs. Knaak introduced—

S. F. No. 2063: A bill for an act relating to highway traffic regulations; driving while under the influence of an alcoholic beverage; providing that a presentence investigation and report need not be made if a defendant admits in open court to his alcohol problem; providing that a defendant may request that certain persons should not be contacted during the course of a presentence investigation; amending Minnesota Statutes 1976, Section 169.126, Subdivision 1, and by adding a subdivision.

Referred to the Committee on Judiciary.

Mr. Keefe, S. introduced—

S. F. No. 2064: A bill for an act relating to unemployment compensation; providing for conformity with federal requirements; providing limited benefits to certain legislative employees; amending Minnesota Statutes, 1977 Supplement, Section 268.04, Subdivisions 12 and 23; and Minnesota Statutes 1976, Chapter 268, by adding a section.

Referred to the Committee on Employment.

Mr. Johnson introduced—

S. F. No. 2065: A bill for an act relating to the metropolitan area; creating the metropolitan wilderness area.

Referred to the Committee on Governmental Operations. Mr. Johnson questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Merriam introduced—

S. F. No. 2066: A bill for an act relating to education; requiring certain notifications if a state agency or court of the state places a child in a district other than his district of residence; amending Minnesota Statutes 1976, Section 124.212, Subdivision 20.

Referred to the Committee on Education.

Mr. Merriam introduced—

S. F. No. 2067: A bill for an act relating to education; allowing the commissioner to disapprove certain aid applications; amend-

ing Minnesota Statutes, 1977 Supplement, Section 124.32, Subdivision 7.

Referred to the Committee on Education.

Messrs. Renneke, Purfeerst and Jensen introduced—

S. F. No. 2068: A bill for an act relating to eminent domain; attorney's fees on appeal; amending Minnesota Statutes 1976, Section 117.175, Subdivision 2.

Referred to the Committee on Judiciary.

Mrs. Brataas, Messrs. Laufenburger and Frederick introduced—

S. F. No. 2069: A bill for an act relating to the city of Rochester; certain positions in the police department.

Referred to the Committee on Local Government.

Messrs. Renneke, Schmitz, Purfeerst, Frederick and Sillers introduced—

S. F. No. 2070: A bill for an act relating to agriculture; providing for the promotion, improvement and development of markets for Minnesota agricultural products; appropriating money; amending Minnesota Statutes 1976, Section 17.101.

Referred to the Committee on Agriculture and Natural Resources.

Mrs. Brataas, Messrs. Lewis, Frederick, Purfeerst and Engler introduced—

S. F. No. 2071: A bill for an act relating to highway traffic regulation; allowing ambulances to use studded tires; amending Minnesota Statutes 1976, Section 169.72, Subdivision 1.

Referred to the Committee on Transportation.

Mrs. Brataas, Messrs. Lewis, Frederick, Laufenburger and Engler introduced—

S. F. No. 2072: A bill for an act relating to traffic regulation; allowing an authorized emergency vehicle to use an oscillating white light; amending Minnesota Statutes 1976, Section 169.55, Subdivision 1.

Referred to the Committee on Health, Welfare and Corrections. Mr. Purfeerst questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mrs. Brataas, Messrs. Laufenburger, Frederick, Lewis and Engler introduced—

S. F. No. 2073: A bill for an act relating to highway traffic regulation; concerning authorized emergency vehicles; expanding the definition to include a licensed land emergency ambulance service; amending Minnesota Statutes 1976, Section 169.01, Subdivision 5.

Referred to the Committee on Health, Welfare and Corrections. Mr. Purfeerst questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Messrs. Olson, Chmielewski, Perpich and Gunderson introduced—

S. F. No. 2074: A bill for an act relating to the Minnesota historical society; designating the site for an agricultural interpretive center.

Referred to the Committee on General Legislation and Veterans Affairs.

Messrs. Johnson, Peterson and Willet introduced—

S. F. No. 2075: A bill for an act relating to employments licensed by the state; concerning architects, engineers, surveyors, and landscape architects; amending Minnesota Statutes 1976, Section 326.03, Subdivision 2.

Referred to the Committee on Commerce.

Messrs. Vega, Borden, Kirchner, Benedict and Solon introduced—

S. F. No. 2076: A bill for an act relating to the departments of state; concerning the administrative procedure act; exempting the public employment relations board from the contested case provisions; amending Minnesota Statutes, 1977 Supplement, Section 15.0411, Subdivision 2.

Referred to the Committee on Governmental Operations.

Messrs. Vega, Kirchner, Nelson, Lewis and Solon introduced—

S. F. No. 2077: A bill for an act relating to public health; authorizing the contractual provision of statutorily prescribed public health services by the commissioner of health; modifying the definition of child in the maternal and child nutrition act; increasing the commissioner's rule-making authority regarding children's camps; expanding scope of functions that may be performed by local health agencies; amending Minnesota Statutes 1976, Sections 144.74; 145.031, Subdivision 1; 145.55, Subdivision 1; 145.892; 145.893; 145.918, Subdivision 2; and Chapter 144, by

adding a section; repealing Minnesota Statutes 1976, Sections 12.56; 12.57; and 144.146, Subdivision 2.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Olson, Chmielewski and Kleinbaum introduced—

S. F. No. 2078: A bill for an act relating to taxation; sales tax; changing definition of common carriers as retailers; amending Minnesota Statutes, 1977 Supplement, Section 297A.211, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Peterson, Wegener, Sikorski, Purfeerst and Ueland, A. introduced—

S. F. No. 2079: A bill for an act relating to veterans; providing for appeals from removals and disciplinary actions; amending Minnesota Statutes 1976, Sections 43.24, Subdivision 1; and 197.481, Subdivision 1.

Referred to the Committee on General Legislation and Veterans Affairs.

Messrs. Purfeerst, Frederick, Stumpf, Penny and Schaaf introduced—

S. F. No. 2080: A bill for an act relating to the division of highway patrol; severing the training funding of the departments of public safety and of transportation; appropriating moneys; amending Minnesota Statutes 1976, Section 299D.03, Subdivision 6.

Referred to the Committee on Transportation.

Messrs. Johnson; Keefe, S.; Spear and Solon introduced—

S. F. No. 2081: A bill for an act relating to public utilities; telephone companies; assessment for costs of regulation; approval of capital expenditures; amending Minnesota Statutes 1976, Chapter 237, by adding sections; and Section 237.01; repealing Minnesota Statutes 1976, Section 237.29, as amended.

Referred to the Committee on Commerce.

Messrs. Stokowski, Chenoweth and Peterson introduced—

S. F. No. 2082: A bill for an act relating to retirement; adjustment of benefits of disabilitants and survivors under public pension funds; amending Minnesota Statutes 1976, Chapter 356, by adding a section.

Referred to the Committee on Governmental Operations.

Messrs. Stokowski, Coleman and Peterson introduced—

S. F. No. 2083: A bill for an act relating to retirement; limitation on average salary used in computing benefits; repealing Minnesota Statutes 1976, Section 356.34, as amended.

Referred to the Committee on Governmental Operations.

Messrs. Sillers, Moe, Purfeerst and Renneke introduced—

S. F. No. 2084: A bill for an act relating to agriculture; grading and classification of barley upon sale.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Johnson, Perpich, Lessard and Willet introduced—

S. F. No. 2085: A bill for an act relating to natural resources; informal sales of state timber; removing the requirement of a certain affidavit; amending Minnesota Statutes 1976, Section 90.191, Subdivision 1.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Johnson, Perpich, Sikorski, Coleman and Willet introduced—

S. F. No. 2086: A resolution urging the President and Congress to take action to insure environmental safeguards in connection with an electrical generating facility at Atikokan, Ontario, Canada.

Referred to the Committee on Rules and Administration.

Messrs. Johnson, Perpich and Lessard introduced—

S. F. No. 2087: A bill for an act relating to education; adjustments in certain state aid payments; amending Minnesota Statutes, 1977 Supplement, Section 124.212, Subdivision 8a.

Referred to the Committee on Education.

Messrs. Humphrey, Benedict, Schaaf and Sillers introduced—

S. F. No. 2088: A bill for an act relating to charges for utility services; providing relief to homeowners and renters for costs of energy sources needed to sustain life; establishing a lifeline rate break credit program; providing for the distribution of such funds to qualifying homeowners and renters; providing penalties; appropriating funds.

Referred to the Committee on Commerce.

Messrs. Renneke and Davies introduced—

S. F. No. 2089: A bill for an act relating to crimes; criminal sexual conduct; defining complainant; amending Minnesota Statutes 1976, Section 609.341, Subdivision 13.

Referred to the Committee on Judiciary.

Messrs. Peterson, McCutcheon, Stokowski, Nichols and Lessard introduced—

S. F. No. 2090: A bill for an act relating to the environmental education board; repealing Minnesota Statutes 1976, Chapter 116E.

Referred to the Committee on Governmental Operations.

Messrs. Peterson, Willet, Wegener and Olhoft introduced—

S. F. No. 2091: A bill for an act relating to taxation; property tax; eliminating irrigation and potential irrigation as factors in determining market value of agricultural land; amending Minnesota Statutes 1976, Section 273.11, Subdivision 1, and by adding a subdivision; and Minnesota Statutes, 1977 Supplement, Section 273.111, Subdivision 4.

Referred to the Committee on Taxes and Tax Laws.

Mr. Ueland, A., Mrs. Brataas, Messrs. Kirchner, Benedict and Keefe, J. introduced—

S. F. No. 2092: A bill for an act relating to education; school aids; providing aid to schools employing teachers with advanced training and above average experience; appropriating money; amending Minnesota Statutes 1976, Chapter 124, by adding a section.

Referred to the Committee on Education.

Messrs. Merriam, Hughes, Schaaf, Humphrey and Sillers introduced—

S. F. No. 2093: A bill for an act relating to education; requiring promulgation of rules relating to the discipline of handicapped children; amending Minnesota Statutes 1976, Section 120.17, Subdivision 3.

Referred to the Committee on Education.

Messrs. Renneke and Purfeerst introduced—

S. F. No. 2094: A bill for an act relating to public drainage systems; authorizing access to ditches over intervening lands; including wildlife and flood control improvements in benefit computa-

tion; assessing benefits upon lands of landowners with drainage systems who are benefitting from rapid water runoff; amending Minnesota Statutes 1976, Sections 106.121, Subdivision 4; 106.151; 106.201; and Chapter 106, by adding a section.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Luther; Benedict; Merriam; Ulland, J. and Peterson introduced—

S. F. No. 2095: A bill for an act relating to environmental protection; prohibiting retail sale of milk in one gallon nonreturnable, nonrefillable containers; prescribing penalties.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Vega; Solon; Nelson; Keefe, J. and Mrs. Staples introduced—

S. F. No. 2096: A bill for an act relating to juveniles; providing procedures regulating the detention of juveniles; amending Minnesota Statutes 1976, Section 260.173; and Minnesota Statutes, 1977 Supplement, Section 260.171, Subdivision 2.

Referred to the Committee on Judiciary.

Mr. Lewis introduced—

S. F. No. 2097: A bill for an act relating to public welfare; establishing a revolving fund for data processing services; providing an appropriation; amending Minnesota Statutes 1976, Section 256.01, by adding a subdivision.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Lewis, McCutcheon and Sikorski introduced—

S. F. No. 2098: A bill for an act relating to marriage dissolution; concerning the violation of a restraining order; setting forth a penalty; allowing the arrest of a violator without a warrant; amending Minnesota Statutes 1976, Sections 518.15; and 629.34.

Referred to the Committee on Judiciary.

Messrs. McCutcheon, Johnson, Hanson, Merriam and Sieloff introduced—

S. F. No. 2099: A bill for an act relating to taxation; property tax; increasing property tax refunds for certain renters; amending Minnesota Statutes, 1977 Supplement, Section 290A.04, Subdivision 2a.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Hughes, Coleman, McCutcheon, Sieloff and Wegener introduced—

S. F. No. 2100: A bill for an act relating to taxation; income tax; providing a tax credit for homemakers; appropriating money.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Wegener, Dunn, Olson and Chmielewski introduced—

S. F. No. 2101: A bill for an act relating to towns; attorney's services; fee limitation abolished; amending Minnesota Statutes 1976, Section 368.121.

Referred to the Committee on Local Government.

Mr. Solon, Mrs. Brataas, Messrs. Laufenburger and Kleinbaum introduced—

S. F. No. 2102: A bill for an act relating to mutual insurance companies; providing for their conversion into stock companies; protecting the rights of guaranty fund certificate holders; amending Minnesota Statutes 1976, Section 60A.07, Subdivision 8.

Referred to the Committee on Commerce.

Messrs. Tennessen, Borden, Sieloff, Davies and Peterson introduced—

S. F. No. 2103: A bill for an act relating to taxation; Minnesota energy rate break act; providing tax credits for certain homeowners and renters for costs of energy needed to sustain life; providing a penalty; appropriating money; amending Minnesota Statutes 1976, Chapter 290A, by adding sections.

Referred to the Committee on Energy and Housing. Mr. Tennessen questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Messrs. Bernhagen, Willet, Solon and Chmielewski introduced—

S. F. No. 2104: A bill for an act relating to the public welfare; establishing an assistance program for home heating and electric costs; providing penalties; appropriating money.

Referred to the Committee on Health, Welfare and Corrections. Mr. Bernhagen questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Messrs. Menning, Luther and Pillsbury introduced—

S. F. No. 2105: A bill for an act relating to interim claims against the state; appropriating money for the payment thereof.

Referred to the Committee on Finance.

Messrs. Laufenburger, Purfeerst, Kirchner, Frederick and Schmitz introduced—

S. F. No. 2106: A bill for an act relating to highway traffic regulations; concerning accident reports; making reports available for accident prevention purposes to additional agencies; concealing the identity of involved persons; amending Minnesota Statutes 1976, Section 169.09, Subdivision 13.

Referred to the Committee on Transportation.

Mr. Borden introduced—

S. F. No. 2107: A bill for an act relating to retirement; authorizing an annuity for the surviving spouse of a certain deceased former member of the public employees retirement association.

Referred to the Committee on Governmental Operations.

Messrs. Davies, Anderson, Tennessen, Solon and Sillers introduced—

S. F. No. 2108: A bill for an act relating to prepaid legal service plans; authorizing creation of nonprofit, legal service plan corporations; providing for their formation and regulation; prescribing penalties.

Referred to the Committee on Commerce.

Messrs. Merriam, Anderson and Sillers introduced—

S. F. No. 2109: A bill for an act relating to education; repealing certain levies allowed school districts for post-secondary vocational-technical purposes; correcting certain obsolete language; amending Minnesota Statutes 1976, Section 124.563, Subdivision 2; Minnesota Statutes, 1977 Supplement, Section 124.562, Subdivision 1; 124.563, Subdivision 1; Laws 1967, Chapter 822, Section 7, as amended; Laws 1969, Chapter 775, Section 4, Subdivision 1; and Laws 1969, Chapter 775, Section 4, Subdivision 2, as amended; Laws 1969, Chapter 1060, Section 7, as amended; repealing Minnesota Statutes, 1977 Supplement, Section 275.125, Subdivision 13; and Laws 1971, Chapter 722, Section 1, as amended.

Referred to the Committee on Education.

Mr. Luther introduced—

S. F. No. 2110: A bill for an act relating to taxation; property tax; providing for reduction of limited market value of property upon reduction of its estimated market value; amending Minnesota Statutes 1976, Chapter 274, by adding a section.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Johnson, Coleman, Perpich, Chenoweth and Kirchner introduced—

S. F. No. 2111: A bill for an act relating to state government; directing the commissioner of administration to grant contract preference to American made products; amending Minnesota Statutes 1976, Section 16.07, by adding a subdivision.

Referred to the Committee on Governmental Operations.

CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate. The following Senators answered to their names:

Ashbach	Hanson	Laufenburger	Peterson	Strand
Bang	Hughes	Lessard	Pillsbury	Stumpf
Bernhagen	Johnson	Luther	Purfeerst	Tennessee
Coleman	Keefe, S.	McCutcheon	Sieloff	Vega
Davies	Kirchner	Merriam	Sikorski	Willet
Dieterich	Kleinbaum	Moe	Sillers	
Dunn	Knaak	Nelson	Solon	
Frederick	Knoll	Olson	Staples	
Gearty	Knutson	Perpich	Stokowski	

The Sergeant at Arms was instructed to bring in the absent members.

MESSAGES FROM THE HOUSE

Mr. President:

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

Senate Concurrent Resolution No. 9: A senate concurrent resolution relating to joint rules; providing deadlines; amending Joint Rule 2.03.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned February 9, 1978

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. 823: A bill for an act relating to mechanics liens; increasing the period in which notice must be given to the owner of improved real estate; amending the definition of owner; enlarging the circumstances in which notice is not required to be given; providing penalties; amending Minnesota Statutes 1976, Section 514.011, Subdivisions 2, 3 and 4.

Senate File No. 823 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned February 9, 1978

Mr. Davies moved that the Senate do not concur in the amendments by the House to S. F. No. 823 and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 1180, and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 1180: A bill for an act relating to financial institutions; permitting the establishment and operation of electronic funds transfer facilities; prescribing the powers and duties of the commissioner of banks in relation to funds transfer facilities; protecting the privacy and security of customers of financial institutions who use electronic funds transfer facilities; prescribing penalties.

House File No. 1180 is herewith transmitted to the Senate:

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 9, 1978

Mr. Laufenburger moved that H. F. 1180 and the Conference Committee report thereon be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 1103, 1329 and 1520.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 9, 1978

FIRST READING OF HOUSE BILLS

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

H. F. No. 1103: A bill for an act relating to the operation of state government; centralizing the management and review of all state contracts in the office of the commissioner of administration; distinguishing consultant, professional and technical contracts; amending Minnesota Statutes 1976, Sections 15.061; 161.35; and Chapter 16, by adding a section; repealing Minnesota Statutes 1976, Section 16.10.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 762, now in the Subcommittee on Bill Scheduling.

H. F. No. 1329: A bill for an act relating to licensed employments; licensing and regulation of master plumbers; regulation and licensing of contracting steamfitters; amending Minnesota Statutes 1976, Sections 326.40 and 326.48.

Referred to the Committee on Commerce.

H. F. No. 1520: A bill for an act relating to financial institutions; changing powers of savings and loan associations; amending Minnesota Statutes 1976, Section 51A.21, Subdivision 16.

Referred to the Committee on Commerce.

RECESS

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

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

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted, with the exception of reports pertaining to appointments. The motion prevailed.

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 1689: A bill for an act relating to battered women; appropriating money; amending Minnesota Statutes, 1977 Supplement, Sections 241.62, Subdivision 1; 241.63; 241.66, Subdivision 2, and by adding a subdivision.

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

Page 1, line 11, after "four" insert "*or more*"

Page 1, after line 20, insert a section to read:

"Sec. 2. Minnesota Statutes, 1977 Supplement, Section 241.62, Subdivision 4, is amended to read:

Subd. 4. [EDUCATIONAL PROGRAMS.] In addition to designating four pilot programs to provide emergency shelter services and support services, the commissioner shall award grants for the development and implementation of education programs designed to promote public and professional awareness of the problems of battered women. Any public or private nonprofit agency may apply to the commissioner for an education grant. The application shall be submitted in a form approved by the commissioner by rule. *In addition, education grant moneys may be used by the commissioner to produce educational and promotional materials to encourage the development and utilization of emergency shelter services.* Every public or private nonprofit agency which receives an education grant shall comply with all rules of the commissioner related to the administration of education programs."

Page 2, line 4, after "four" insert "or more"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, strike "Subdivision 1" and insert "Subdivisions 1 and 4"

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

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 1779: A bill for an act relating to public health; requiring owner identification marks on removable dental prostheses; requiring free replacement of certain unmarked prostheses which become lost; prescribing certain other remedies.

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

Page 1, line 9, strike "PROTHESES" and insert "PROSTHESES"

Page 1, line 10, after "Every" insert "complete upper and lower denture and"

Page 1, line 11, strike "prothesis" and insert "prosthesis"

Page 1, line 14, strike "prothesis" and insert "prosthesis"

Page 1, strike line 16 after "legible"

Page 1, strike line 17 before "and"

Page 1, line 21, strike "prothesis" and insert "prosthesis"

Page 1, line 22, strike "full" and insert "this"

Strike pages 2 and 3 and insert:

"(a) The social security number of the patient may be omitted if the name of the patient is shown;

(b) The initials of the patient may be shown alone, if use of the social security number is impracticable;

(c) The identification marks may be omitted in their entirety if none of the forms of identification specified in clauses (a) and (b) are practicable or clinically safe.

Subd. 2. Any removable dental prosthesis in existence prior to the effective date of this act, which was not marked in accordance with subdivision 1 at the time of its fabrication, shall be so marked at the time of any subsequent rebasing.

Subd. 3. The commissioner of health shall provide technical assistance for marking methods and materials and other matters necessary to effectuate the provisions of this section.

Subd. 4. Failure of any dentist to comply with this section shall be deemed to be a violation for which the dentist may be subject to proceedings pursuant to section 150A.08, provided that he is charged with the violation within two years of initial insertion of the dental prosthetic device."

Amend the title as follows:

Page 1, line 4, strike "protheses" and insert "prostheses"

Page 1, strike line 4 after the semicolon

Page 1, strike line 5 before "prescribing"

Page 1, line 6, strike "certain other remedies" and insert "penalties"

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

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was re-referred

S. F. No. 793: A bill for an act relating to public waters; transferring certain authority concerning lake improvement districts to the pollution control agency; specifying the procedure for creation of lake improvement districts; authorizing districts to undertake certain improvement projects and assess benefited property; altering the procedure for terminating districts; requiring districts to hold an annual meeting; clarifying local government authority over public waters; establishing a lake restoration and protection program; making grants-in-aid available for improving water quality in public lakes; prescribing certain powers and duties for the pollution control agency; amending Minnesota Statutes 1976, Sections 105.484; 378.41, Subdivisions 1 and 2; 378.42, Subdivisions 1, 2, and by adding a subdivision; 378.43, Subdivisions 1 and 3; 378.46; 378.51, Subdivisions 1 and 3; 378.52, Subdivision 1; 378.55; 378.56, Subdivisions 1 and 2; and 459.20; and Chapter 378, by adding a section; repealing Minnesota Statutes 1976, Sections 378.45; 378.47; 378.53; and 378.54.

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

Page 1, line 30, reinstate "commissioner of natural resources" and strike "pollution control"

Page 1, line 31, strike "agency" and reinstate "pollution control agency"

Page 1, line 32, strike "department of natural resources"

Page 2, line 3, strike "pollution problems"

Page 2, line 3, reinstate "high or low water levels"

Page 2, line 4, after "considerations" insert "except pollution problems,"

Page 2, line 5, strike "1978" and insert "1979"

Page 2, line 6, strike "Where these relate to"

Page 2, strike lines 7 to 9

Page 2, line 10, strike "pollution control agency priority system."

Page 2, strike all of section 2

Page 3, line 3, reinstate "commissioner of natural resources"

Page 3, line 4, strike "*Minnesota pollution control agency*"

Page 3, line 6, before "*pursuant*" insert "*rules*"

Page 3, line 6, strike ", rules"

Page 6, line 12, strike "or"

Page 6, line 12, strike "*the agency's*"

Page 6, line 13, strike "order"

Page 6, line 15, strike "or order"

Page 6, line 20, strike "or order"

Page 6, after line 20, insert:

"Sec. 9. Minnesota Statutes 1976, Section 378.47, Subdivision 1, is amended to read:

378.47 [REFERENDUM.] Subdivision 1. Upon a receipt of a petition signed by ~~five~~ *twenty-five* percent of the ~~qualified voters~~ *resident owners* within the territory of the lake improvement district *specified in the resolution adopted pursuant to section 378.42* prior to the effective date of its creation as specified in section 378.46, the county board or boards shall hold the creation in abeyance pending referendum vote of all ~~qualified electors~~ *resident owners* residing within the boundaries of the proposed lake improvement district.

Sec. 10. Minnesota Statutes 1976, Section 378.47, Subdivision 2, is amended to read:

Subd. 2. The county board or boards shall make arrangements for the holding of a special election not less than 30 nor more than 90 days after receipt of such petition within the boundaries of the proposed lake improvement district *specified in the resolution adopted pursuant to section 378.42*. If a general election will be held within the time specified, the vote on creation may be held as part of the general election. The county auditor shall administer the election. The question to be submitted and voted upon by the ~~qualified voters~~ *resident owners* within the territory of the proposed lake improvement district shall be phrased substantially as follows:

"Shall a lake improvement district be established in order to provide (water and related land resources improvements) financed by (revenue sources)?"

Upon certification of the vote by the county auditor, if a ma-

majority of those voting on the question favor creation of the proposed lake improvement district the lake improvement district shall be deemed created."

Page 7, line 12, strike "or order"

Page 7, line 29, strike "378.47" and insert "378.46"

Page 8, line 30, strike "378.46" and insert "378.56 and section 17 of this act"

Page 9, line 9, before "No" insert "If a lake improvement district is terminated pursuant to subdivision 1,"

Page 10, line 16, before the period insert "and section 17 of this act"

Page 10, line 31, after "378.56" insert "and section 17 of this act"

Page 11, line 4, after "378.56" insert "and section 17 of this act"

Page 11, line 5, after "378.56" insert "and section 17 of this act"

Page 11, line 10, strike "19" and insert "20"

Page 11, line 10, strike "24" and insert "25"

Page 12, line 31, strike "19" and insert "20"

Page 12, line 31, strike "24" and insert "25"

Page 14, line 5, strike "19" and insert "20"

Page 14, line 5, strike "24" and insert "25"

Page 17, line 22, strike "19" and insert "20"

Page 17, line 22, strike "24" and insert "25"

Page 18, line 2, strike "19" and insert "20"

Page 18, line 3, strike "24" and insert "25"

Page 18, line 7, strike "378.47;"

Renumber the sections in sequence

Amend the title as follows:

Line 17, strike "Subdivisions 1 and " and insert "Subdivision"

Line 19, after "378.46;" insert "378.47, Subdivisions 1 and 2;"

Line 23, strike "378.47;"

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

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

S. F. No. 1212: A bill for an act relating to wild animals; license fees for the taking of fur bearing animals, except beaver; pre-

scribing a non-resident license fee for the taking of fur bearing animals, except beaver; amending Minnesota Statutes 1976, Section 98.46, Subdivisions 4 and 14.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 98.45, Subdivision 1, is amended to read:

98.45 [REQUIREMENT.] Subdivision 1. Except as specifically permitted in chapters 97 to 102, no person may take, buy, sell, transport, or possess any protected wild animals of this state or any aquatic plants without first procuring a license therefor as provided in section 98.46 or in section 98.48. Every license is issued for a year beginning on the first day of March and is void after the last day of the open season or the lawful time within that year during which the acts authorized may be performed. No license to take beaver or otter may be issued to any person after the third day of the open season provided therefor for that year. Except as provided in this section, no license to take deer with firearm or with bow and arrow may be issued after the day prior to the first day of the regular rifle season, and all license agents shall return all stubs and unsold license blanks to the county auditor on the first business day following the first day of such season. A resident who is discharged from the military or naval forces of the United States, or any active reserve or component thereof, during the regular season for taking deer by firearm or within ten days before its commencement, may be issued, at any time during the firearm deer season and upon a showing of his official discharge paper, a license to take deer with firearm. Only one license of each kind, except as authorized by order of the commissioner adopted pursuant to section 97.53 and except the non-resident short term angling license, may be issued to a person in any licensing year. No license may be transferred except as expressly authorized.

Sec. 2. Minnesota Statutes 1976, Section 98.45, Subdivision 3, is amended to read:

Subd. 3. No person may lend or transfer to another or borrow or solicit from another any license, coupon, tag, or seal attached thereto or issued therewith, or use any license, coupon, tag, or seal not issued to him unless otherwise expressly authorized.

Sec. 3. Minnesota Statutes 1976, Section 98.46, Subdivision 4, is amended to read:

Subd. 4. Fees for the following licenses, to be issued to residents only, shall be:

- (1) To trap fur bearing animals, except beaver, \$5;
- (2) To buy or sell raw furs anywhere within the state, \$50;
- (3) (2) To buy or sell raw furs anywhere within the state as authorized in (2) and including the privilege of selling to

resident manufacturers or to unlicensed non-residents, representing unlicensed non-residents as a broker or agent, or conducting a fur auction wherein sales are made to unlicensed non-residents or resident manufacturers, \$400 \$50, provided that no raw furs shall be delivered to any unlicensed non-resident until a registration card disclosing the purchaser's name and place of business the number and species of fur and the name and place of business of the licensee from whom the purchase is being made has been forwarded by such licensee to the division of game and fish, and provided further that any employee, partner or officer buying or selling at the established place of business only for such licensee may secure a supplemental license for \$20;

(4) (3) To trap beaver during an open season or by permit when doing damage, \$2.50.

Sec. 4. Minnesota Statutes, 1977 Supplement, Section 98.46, Subdivision 14, is amended to read:

Subd. 14. Fees for the following licenses, to be issued to non-residents, shall be:

(1) To take small game and unprotected quadrupeds with firearms and bow and arrows, \$25;

(2) To take deer and bear during the period in which the licensee may take deer, and unprotected quadrupeds with firearms and bow and arrows, \$60;

(3) To take deer and bear during the period in which the licensee may take deer, and unprotected quadrupeds with a bow and arrows only, \$25;

(4) To take bear, \$25.25;

(5) To take turkeys, \$30, in addition to a small game license;

(6) To hunt raccoon, \$50, in addition to nonresident small game license.

Sec. 5. Minnesota Statutes 1976, Section 98.46, Subdivision 16, is amended to read:

Subd. 16. Fee for the following license, to be issued to non-residents, shall be:

To buy or sell raw furs, \$400, except that a license shall not be required to buy from those licensed under subdivision 4 (3), clause (2).

Sec. 6. Minnesota Statutes 1976, Section 98.46, Subdivision 22, is amended to read:

Subd. 22. No deer or moose taken in this state shall be transported or possessed unless a locking seal tag of a type prescribed by the commissioner bearing the license number of the owner and, the year of its issue, and such other information as the commissioner may require has been affixed to its carcass between the tendon and the bone and around the bone of the leg so that such seal cannot be removed without breaking the lock in a manner

prescribed by the commissioner . The seal tag must be so placed and locked affixed at the time the deer or moose is brought into any hunting camp, dwelling, farm yard, or other place of abode of any kind occupied overnight, or before being placed wholly or partially on a motor vehicle of any kind, or upon a conveyance towed by a motor vehicle of any kind. Provided, that deer taken by bow and arrow and moose shall be tagged by a conservation officer or other authorized agent as may be prescribed by the commissioner, in addition to the seal tag herein provided for.

Sec. 7. Minnesota Statutes 1976, Section 98.46, is amended by adding a subdivision to read:

Subd. 26. No nonresident shall possess or transport a raccoon taken in this state unless a tag of a type prescribed by the commissioner is affixed to the carcass. The number of tags which the commissioner shall prescribe by order will be issued with every nonresident license to take raccoon, provided no such license or tags shall be issued after the fifth day from the commencement of the season for that licensing year.

Sec. 8. Minnesota Statutes, 1977 Supplement, Section 98.52, Subdivision 1, is amended to read:

98.52 [LOSS AND REVOCATION OF LICENSES.] Subdivision 1. Except as otherwise provided herein, the license of any person who is convicted of violating any provisions of chapters 97 to 102, or any order or regulation duly prescribed by the commissioner under authority thereof, relating to the license or to the wild animals covered thereby, shall immediately become null and void, and no *big game* license of ~~the same~~ any kind shall be issued to such person for three years after the date of conviction if the license is a big game license, ~~or~~ *and no license of the kind related to the conviction shall be issued to such person for one year after the date of conviction if the license is other than a big game license.* Every person convicted of doing anything without a license for which chapters 97 to 102 require a license, shall forfeit his right to secure such a license for a period of three years from a conviction related to big game, or for a period of one year from a conviction other than a conviction related to big game.

Sec. 9. Minnesota Statutes 1976, Section 101.42, Subdivision 18, is amended to read:

Subd. 18. Except as otherwise specifically permitted, it shall be unlawful to have in possession in an automobile or any vehicle or on their person, or at or near any waters, a spear, trap net, seine, or any other device capable of taking fish, *except dip nets and except when acting under permit or contract to trap or seine from the division of fisheries, during the period of February 16 ; to April 30 the opening day for the taking of wall-eyed pike*, inclusive. This subdivision does not apply to nets used in the taking of trout and smelt in season.

Sec. 10. [EFFECTIVE DATE.] *Sections 1 to 7 are effective March 1, 1979. Sections 8 and 9 are effective the day following final enactment.*"

Amend the title as follows:

Line 2, strike everything after the semicolon

Strike lines 3 to 7 and insert "prohibiting the sale of deer licenses during the firearms season; reducing the resident license fee to buy or sell raw furs; prescribing a nonresident license fee for the taking of raccoon; requiring tagging of deer or moose taken; requiring tagging of raccoon taken by nonresidents; amending Minnesota Statutes 1976, Sections 98.45, Subdivisions 1 and 3; 98.46, Subdivisions 4, 16, and 22, and by adding a subdivision; 101.42, Subdivision 18; and Minnesota Statutes, 1977 Supplement, Sections 98.46, Subdivision 14; and 98.52, Subdivision 1."

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

Mr. McCutcheon from the Committee on Taxes and Tax Laws, to which was referred

S. F. No. 752: A bill for an act relating to taxation; providing for use of cigarette tax stamping machines; appropriating money; amending Minnesota Statutes 1976, Section 297.03, Subdivision 6.

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

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

S. F. No. 1621: A bill for an act relating to energy; exempting certain solar energy systems from property taxation; providing a credit against income tax for the cost of certain solar energy systems; amending Minnesota Statutes 1976, Sections 272.02, Subdivision 1; and 290.06, by adding a subdivision.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 290.06, is amended by adding a subdivision to read:

Subd. 9b. A credit of 20 percent of the net cost to the taxpayer of a solar collector subsystem, up to a maximum credit of \$2,000, may be deducted from the tax due under chapter 290 in the first year in which the property is placed in service on the property of the taxpayer. For the purpose of this subdivision, "solar collector subsystem" shall mean the assembly for absorbing solar radiation, converting it into thermal energy, and transferring the thermal energy to a heat transfer medium. If the subsystem is purchased and placed in service by a contractor while the property which will utilize the subsystem is under construction, and the contractor does not intend to retain the property for his own use, the credit shall be available to the taxpayer who is the first purchaser

of the property for use after its completion. The credit shall apply only if the subsystem meets or exceeds the standards promulgated pursuant to section 116H.127 and is certified by the state energy agency.

If the amount of the credit provided by this subdivision exceeds the taxpayer's liability for taxes pursuant to chapter 290 in the taxable year in which the subsystem is constructed or installed, or if there are no state income taxes due on the claimant's income that year, the amount of the claim not used as an offset against income taxes, subject to audit by the department of revenue, shall be paid to the claimant in the same manner as a refund for overpayment of a tax. Interest shall be allowed as provided in section 290.92, subdivision 13.

This subdivision shall apply to solar collector subsystems placed in service after December 31, 1977. The credit provided for in this subdivision shall terminate on December 31, 1980."

Amend the title as follows:

Page 1, line 2, strike "exempting certain solar energy"

Page 1, line 3, strike "systems from property taxation;"

Page 1, line 6, strike "Sections 272.02, Subdivision 1; and" and insert "Section"

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S. F. No. 1398: A bill for an act relating to highway traffic regulation; change of course; clarifying requirement to signal a turn; amending Minnesota Statutes 1976, Section 169.19, Subdivision 4.

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S. F. No. 1802: A bill for an act relating to drivers' licenses; providing that a Class C license is valid for operation of the rear portion of a midmount aerial ladder truck; amending Minnesota Statutes 1976, Section 171.02, Subdivision 2.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

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

S. F. No. 1611: A bill for an act relating to corporations; requiring domestic corporations to file an active status report with the secretary of state; requiring the secretary of state to perform

certain duties; providing that corporations that fail to file reports shall lose exclusive rights to their names; permitting corporations and others to utilize the names of corporations which have lost exclusive right to their names; establishing filing fees; appropriating money; amending Minnesota Statutes 1976, Chapter 301, by adding a section; and Section 301.05, Subdivision 2.

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

Page 3, line 28, after the dollar sign insert "30,000"

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

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

S. F. No. 1622: A bill for an act relating to game and fish; requiring a trout stamp; providing for disposition of the proceeds; appropriating funds; amending Minnesota Statutes 1976, Section 98.46, by adding a subdivision; Minnesota Statutes, 1977 Supplement, Sections 98.46, Subdivision 2a; and 98.50, Subdivision 5.

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

Page 2, line 25, delete "*and are appropriated to*" and insert a period

Page 2, delete lines 26 through 29

Page 4, line 19, delete "\$1,250,000" and insert "\$750,000"

Page 4, delete lines 20 through 22 and insert "1979 for use in acquisition of access to trout streams and in improvement of designated trout waters."

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

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

S. F. No. 1137: A bill for an act relating to chiropractic; further defining the practice of chiropractic; amending Minnesota Statutes 1976, Section 148.01, Subdivision 3.

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 1684: A bill for an act relating to federal aid to state government; requiring consultation with the legislative advisory commission prior to expenditure of certain federal aid.

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

Mr. Coleman from the Committee on Rules and Administration, to which was referred

H. F. No. 1930: A resolution urging the President, Congress and Secretary of Transportation to provide necessary grants and loans to the Milwaukee Road.

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

Mr. Coleman from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon,

S. F. No. 350: A bill for an act relating to elections; establishing a local government election day for election of county, city and school district officers, county and municipal judges and officers of all other political subdivisions except towns; requiring uniform and coordinated election precincts and polling places for municipalities and school districts; integrating municipal and school district election laws with laws applicable to other elections; providing state reimbursement for the costs of administration of the election held on the local government election day; superseding certain inconsistent general and special laws and home rule charter provisions; amending Minnesota Statutes 1976, Chapters 204A, by adding a section; 205, by adding sections; and 210A, by adding a section; and Sections 40.05, Subdivisions 1, 3 and 4; 40.06, Subdivision 1; 122.23, Subdivisions 12, 17, and 18; 122.25, Subdivision 2; 122.26, Subdivisions 4, 5, and 22; 123.12, Subdivisions 1 and 5; 123.32, Subdivisions 9, 13 and 23; 123.33, Subdivisions 1 and 4; 123.34, Subdivision 1; 123.351, Subdivisions 1 and 3; 123.51; 128.01; 200.02, Subdivisions 1, 8, 24, and by adding subdivisions; 201.071, by adding a subdivision; 202A.26, Subdivision 1; 202A.52; 203A.17; 203A.31, Subdivision 1; 203A.32; 204A.05, Subdivision 1; 204A.06, by adding a subdivision; 204A.09, Subdivision 1; 204A.11, Subdivision 3, and by adding a subdivision; 204A.29; 204A.40, Subdivision 2; 204A.45, Subdivision 1; 204A.47, Subdivision 2; 204A.49, by adding a subdivision; 204A.51, Subdivision 2; 204A.53, Subdivision 1; 205.01; 205.021; 205.13; 205.14; 205.16, Subdivision 2; 206.09; 206.21, Subdivision 3; 207.04; 207.151; 209.02, Subdivisions 1 and 3; 365.51; 375.025, Subdivision 4; 375.03; 375.101, Subdivision 2; 375A.02, Subdivision 1; 375A.09, Subdivision 4; 382.01; 389.011, Subdivision 2; 397.06; 397.07; 398.04; 410.21; 412.02, Subdivision 2; 412.021, Subdivision 2; 412.571, Subdivision 5; 447.32, Subdivisions 1 and 2; 487.03, Subdivisions 2 and 5; 488A.021, Subdivision 3; and 488A.19, Subdivision 3; amending Minnesota Statutes, 1977 Supplement, Sections 201.071, Subdivisions 1 and 3; 207.02; 207.03, Subdivision 1; 207.05, Subdivision 1; repealing Minnesota Statutes 1976, Sections 123.015; 123.11, Subdivisions 2, 3, 4, 5 and 6; 123.32, Subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 11, 22, 24, 25, 26 and 27; 201.33; 205.02; 205.03; 205.07; 205.11; 205.18; 205.19; 205.20; 206.18; and 447.32, Subdivisions 3 and 4.

Reports the same back with the recommendation that the report from the Committee on Finance shown in the Journal for

February 6, 1978, that "when so amended the bill do pass" be adopted and the bill re-referred to the Committee on Governmental Operations. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Finance, to which was referred

H. F. No. 85: A bill for an act relating to governmental agencies; providing for an open appointment process; requiring reports from appointing authorities and the commissioner of administration; providing for publication of agency vacancies.

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

Page 1, line 20, strike "Commissioner" and insert "Secretary"

Page 1, line 21, strike "commissioner of administration" and insert "secretary of state"

Page 2, line 10, strike "commissioner" and insert "secretary"

Page 2, line 11, strike "commissioner" and insert "secretary"

Page 3, line 5, strike "commissioner of administration" and insert "secretary of state"

Page 3, line 9, strike "1978" and insert "1979"

Page 3, line 13, strike "commissioner" and insert "secretary"

Page 3, line 14, strike "administration" and insert "state"

Page 3, lines 18, 25 and 27 strike "commissioner" and insert "secretary"

Page 4, line 2, strike "commissioner" and insert "secretary" in both places

Page 4, lines 11, 26, and 32, strike "commissioner" and insert "secretary"

Page 5, lines 3, 13, 16, 17 and 19, strike "commissioner" and insert "secretary"

Page 5, line 19, after "person" insert "to be"

Page 5, line 20, strike "within" and insert "at least"

Page 5, line 20, strike "after" and insert "before"

Page 5, line 21, after "authority" insert "intends to"

Page 5, line 22, strike "nominates" and insert "nominate"

Page 5, lines 25, 27 and 32, strike "commissioner" and insert "secretary"

Page 6, line 6, strike "commissioner" and insert "secretary"

Page 6, after line 22, insert:

"Sec. 2. [APPROPRIATION.] There is appropriated from the general fund to the secretary of state the sum of \$3,000 for the

period ending June 30, 1979, for the purpose of administering this act."

Page 6, line 24, after "3," insert "and section 2"

Page 6, lines 24 and 26, strike "1977" and insert "1978"

Renumber the remaining section

Amend the title as follows:

Lines 4 and 5, strike "commissioner of administration" and insert "secretary of state"

Line 6, before the period, insert "; appropriating money"

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

Mr. Wegener, from the Committee on Local Government, to which was referred

H. F. No. 145: A bill for an act relating to highways; requiring a hearing by a county board prior to the adoption of a resolution revoking a county highway that would revert to a town; amending Minnesota Statutes 1976, Section 163.11, by adding a subdivision.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 1563: A bill for an act relating to the operation of state government; establishing a department of justice; transferring certain functions of the departments of public safety, administration, commerce, natural resources, public service, public welfare, revenue, health, labor and industry and the division of insurance and state court administrator.

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

Strike everything after the enacting clause and insert:

"Section 1. [MINNESOTA COUNCIL ON THE ADMINISTRATION OF CRIMINAL JUSTICE.] Subdivision 1. [CREATION.] The Minnesota council on the administration of criminal justice is hereby created as an independent agency of state government.

Subd. 2. [COMPOSITION OF COUNCIL.] The council shall be composed of 21 members, 15 of whom shall be voting members as follows:

(1) the chief justice of the supreme court, or if he elects not to serve, a justice he designates;

(2) the attorney general, or a member of his staff designated by him;

- (3) the commissioner of public safety;
- (4) the commissioner of corrections;
- (5) the commissioner of administration;
- (6) the director of the state planning agency;
- (7) the executive director of the crime control planning board;
- (8) the superintendent of the bureau of criminal apprehension;
- (9) a county attorney designated by the county attorneys council; and

(10) seven members to be appointed by the governor, two as representatives of local law enforcement agencies, one person of patrol rank in a municipal police department or sheriff's department, two as representatives of other areas of the criminal justice system, and two citizens, at least one of whom shall be a teacher in the area of criminal justice or organizational design. The one remaining gubernatorial appointee shall be chairperson of the council.

The remaining six members shall serve without vote. Three of these remaining members shall be members of the senate appointed by the subcommittee on committees of the senate, and three shall be members of the house appointed by the speaker of the house.

Subd. 3. [SELECTION, TERMS, COMPENSATION, REMOVAL.] Except as otherwise provided herein, the membership terms, compensation and removal of members shall be as provided in section 15.059.

Sec. 2. [DUTIES AND POWERS.] Subdivision 1. The council shall prepare for consideration by the governor and the legislature alternative proposals for the administration of criminal justice in this state. Alternatives shall be proposed in a report which shall be the result of study and investigation of the activities, functions, and programs related to public safety, protection, and the administration of justice in state government. The study and investigation shall include but not be limited to the administration, management, and financing of the functions of investigation, enforcement, prosecution, defense, corrections, justice planning and regulation. The study shall be based on an examination of the office of the attorney general, the office of state court administrator, the state public defender and the regulatory or judicial-related functions of the departments of administration, commerce, corrections, health, labor and industry, natural resources, public safety, public service, public welfare, revenue, transportation, the crime control planning board, and the state planning agency.

Each alternative organizational proposal shall be evaluated in the report on the basis of costs and benefits associated with implementation and ongoing operation. Among the alternatives to be considered shall be constitutional amendments providing for the centralization of criminal justice activities and reorientation of the criminal justice system from a county to a community-based sys-

tem. From among alternatives discussed in its report the council shall designate one as a preferred course of action and draft legislation which would be required for implementation. The report shall be delivered to the governor and the legislature no later than November 30, 1979.

Subd. 2. To accomplish the purposes of sections 1 to 3 the council may:

(a) study and evaluate justice-related organizational structures in other states;

(b) elect council officers, determine procedures for meetings, and establish council committees and advisory task forces as it deems appropriate;

(c) enter into contracts with the federal government, state agencies or local governmental units for the provision of any advisory, technical or other services;

(d) apply for, receive and expend grant moneys, or receive and accept money, property or services from any source, for any purpose within the scope of its authority. All money so received is hereby appropriated for those purposes in the manner and subject to laws applicable to the appropriation of state funds;

(e) compel state agencies and their officials to appear before the council, or produce any records or materials for council review, or provide such staff assistance or undertake any other action, as is deemed necessary by the council; and

(f) undertake in a manner consistent with other law any other related activity necessary to implement the powers and fulfill the responsibilities set forth in sections 1 to 3.

Sec. 3. [STAFF; SERVICES.] The legislative coordinating commission shall provide office space and administrative services for the council and shall provide for council staff. The Minnesota crime control planning board shall serve as a primary research and data source.

Sec. 4. [APPROPRIATION.] There is appropriated to the legislative coordinating commission the sum of \$..... to carry out the purposes of this act. Any unencumbered balance remaining in the first year shall not cancel but is available for the second year of council operations.

Sec. 5. [EFFECTIVE DATE.] This act shall be effective the day after final enactment and shall expire June 30, 1980."

Amend the title as follows:

Line 3, strike "department of" and insert "council on the administration of criminal" and strike "transferring"

Strike lines 4 to 9 and insert "providing for study and investigation of alternative proposals for the administration of criminal justice; appropriating money."

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

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred the following appointment as reported in the Journal for January 19, 1978:

MINNESOTA POLLUTION CONTROL AGENCY

Burton Genis

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

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Coleman from the Committee on Rules and Administration, to which was referred for proper reference under Rule 35:

S. F. No. 1957 reports the same back with the recommendation that the bill be re-referred as follows:

S. F. No. 1957 to the Committee on Education.

Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred

H. F. No. 1761 for comparison with companion Senate File, re-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.
		1761	1589		

and that the above Senate File be indefinitely postponed.

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

Mr. Coleman from the Committee on Rules and Administration, to which was referred

H. F. No. 1065 for comparison with companion Senate File, reports the following House File was found not identical with 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.
		1065	851		

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1065 be amended as follows:

Amend the title as follows:

Page 1, line 2, after the semicolon insert "changing the"

And when so amended H. F. No. 1065 will be identical to S. F. No. 851, and further recommends that H. F. No. 1065 be given its second reading and substituted for S. F. No. 851, 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.

APPOINTMENTS

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

H. F. No. 544: Messrs. Vega; Keefe, S. and Coleman.

Mr. Coleman moved that the foregoing appointments be approved. The motion prevailed.

Mr. Coleman from the Committee on Rules and Administration, makes the following report: That Rule 62 of the Permanent Rules of the Senate appearing in the Journal for January 17, 1978, be amended as follows:

In the "Page" classification, in the column entitled "Salary per Day"

after "17@" strike "\$20" and insert "\$22"

after "6@" strike "\$22" and insert "\$24"

In the "Sergeant" classification, in the column entitled "Salary per Day"

after "2@" strike "\$20" and insert "\$22"

after "10@" strike "\$22" and insert "\$24".

Report adopted.

Mr. Coleman from the Subcommittee on Bill Scheduling, to which were referred

S. F. Nos. 1743, 1655, 1616, 1662, 1606, 1548, 1630, 1276, 1206, 1754 and H. F. No. 356 makes the following report:

That S. F. Nos. 1743, 1655, 1616, 1662, 1606, 1548, 1630, 1276, 1206, 1754 and H. F. No. 356 be placed on the General Orders Calendar in the order indicated.

That there were no other bills before the Subcommittee on which floor action was requested. Report adopted.

SECOND READING OF SENATE BILLS

S. F. No. 1802 was read the second time.

S. F. Nos. 1779, 793, 1212, 1621, 1398, 1611, 1622, 1137 and 1684 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. Nos. 145, 1761 and 1065 were read the second time.

H. F. Nos. 1930 and 85 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS

Mrs. Staples moved that the name of Mr. Milton be stricken as co-author and Mr. Vega be added as co-author to S. F. No. 1081. The motion prevailed.

Mr. Sieloff moved that the name of Mr. Frederick be added as co-author to S. F. No. 1514. The motion prevailed.

Mr. Johnson moved that the name of Mr. Nelson be added as co-author to S. F. No. 1692. The motion prevailed.

Mr. Moe moved that the name of Mr. Solon be added as co-author to S. F. No. 1727. The motion prevailed.

Mr. Ulland, J. moved that the name of Mr. Solon be added as co-author to S. F. No. 1972. The motion prevailed.

Mr. Benedict moved that the names of Messrs. Olhoft, Chmielewski, Olson and Willet be added as co-authors to S. F. No. 1977. The motion prevailed.

Mr. Kleinbaum moved that the name of Mr. Bang be added as co-author to S. F. No. 1987. The motion prevailed.

Mr. Kleinbaum moved that the names of Messrs. Bang and Sikorski be added as co-authors to S. F. No. 1988. The motion prevailed.

Mr. Johnson moved that the name of Mr. Purfeerst be added as co-author to S. F. No. 1992. The motion prevailed.

Mr. Johnson moved that the name of Mr. Purfeerst be added as co-author to S. F. No. 1993. The motion prevailed.

Mr. Nichols moved that the name of Mr. Peterson be added as co-author to S. F. No. 2001. The motion prevailed.

Mr. Wegener moved that the name of Mr. Borden be added as co-author to S. F. No. 2014. The motion prevailed.

Mr. Wegener moved that the names of Mr. Gunderson and Mrs. Brataas be added as co-authors to S. F. No. 2026. The motion prevailed.

Mr. Benedict moved that the names of Messrs. Sikorski; Ulland, J. and Peterson be added as co-authors to S. F. No. 2034. The motion prevailed.

Mr. Gunderson moved that the names of Mr. Kirchner and Mrs. Brataas be added as co-authors to S. F. No. 2058. The motion prevailed.

Mr. Perpich moved that S. F. No. 1730 be withdrawn from the Committee on Health, Welfare and Corrections and re-referred to the Committee on Finance. The motion prevailed.

Mr. Coleman moved that Rule 62 of the Permanent Rules be amended in accordance with the report of the Committee on Rules and Administration adopted today.

The question was taken on the adoption of the motion.

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

Those who voted in the affirmative were:

Anderson	Frederick	Knoll	Olson	Sillers
Ashbach	Gearty	Knutson	Perpich	Solon
Bang	Gunderson	Laufenburger	Peterson	Staples
Benedict	Hanson	Lessard	Pillsbury	Stokowski
Bernhagen	Hughes	Luther	Purfeerst	Strand
Chmielewski	Johnson	McCutcheon	Renneke	Stumpf
Coleman	Keefe, J.	Menning	Schmitz	Tennessee
Davies	Keefe, S.	Merriam	Schrom	Ulland, J.
Dieterich	Kirchner	Moe	Setzepfandt	Vega
Dunn	Kleinbaum	Nelson	Sieloff	Wegener
Engler	Knaak	Nichols	Sikorski	Willet

The motion prevailed. So the rule was amended.

Mr. Coleman, for the Committee on Rules and Administration, offered the following resolution:

BE IT RESOLVED, by the Senate, that the following named persons be and are hereby appointed to the positions hereinafter stated and at the salaries heretofore fixed.

Patricia Hamilton, substituted for Janice Fleetham in the Stenographer I classification, effective February 1, 1978

Rev. Winfield Johnson, Chaplain, effective February 6, 1978

Rev. Dean Meeter, Chaplain, effective February 16, 1978

Rev. Dean Stille, Chaplain, effective February 9, 1978

Mr. Coleman moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

Mr. Coleman moved that the Senate do now adjourn until 10:00 o'clock a.m., Thursday, February 16, 1978. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SEVENTY-SECOND DAY

St. Paul, Minnesota, Wednesday, February 15, 1978

The House of Representatives met on Wednesday, February 15, 1978, which was the Seventy-Second Legislative Day of the Seventieth Session of the Minnesota State Legislature. The Senate did not meet on this date.

SEVENTY-THIRD DAY

St. Paul, Minnesota, Thursday, February 16, 1978

The Senate met at 10:00 o'clock a.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. Winfield Johnson.

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

Anderson	Frederick	Knutson	Penny	Solon
Ashbach	Gearty	Laufenburger	Perpich	Spear
Bang	Gunderson	Lewis	Peterson	Staples
Benedict	Hanson	Luther	Pillsbury	Stokowski
Bernhagen	Hughes	McCutcheon	Purfeerst	Strand
Borden	Humphrey	Menning	Renneke	Stumpf
Brataas	Jensen	Merriam	Schaaf	Tennessee
Chmielewski	Johnson	Moe	Schmitz	Ueland, A.
Coleman	Keefe, J.	Nelson	Schrom	Ulland, J.
Davies	Keefe, S.	Nichols	Setzepfandt	Vega
Dieterich	Kleinbaum	Ogdahl	Sieloff	Wegener
Dunn	Knaak	Olhoft	Sikorski	Willet
Engler	Knoll	Olson	Sillers	

The President declared a quorum present.

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

MEMBERS EXCUSED

Mr. Lessard was excused from the Session of today. Messrs. Moe and McCutcheon were excused from the Session of today for a brief time. Mr. Johnson was excused from the Session of today from 10:00 to 11:00 o'clock a.m. Mr. Sieloff was excused from the Session of today at 12:00 o'clock noon.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received and referred to the committees indicated:

January 31, 1978

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

The following appointment as Chairperson of the Crime Control

Planning Board is hereby respectfully submitted to the Senate for confirmation as required by law:

Jacqueline O'Donoghue Reiss, 1783 Humboldt Avenue South, Minneapolis, Hennepin County, has been appointed by me, effective August 1, 1977, for a term expiring the first Monday in January, 1979.

Sincerely,
Rudy Perpich, Governor

Referred to the Committee on Health, Welfare and Corrections.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Perpich; Keefe, S. and Anderson introduced—

S. F. No. 2112: A bill for an act relating to public health; limiting the payment of state funds for abortion; providing for family planning assistance; appropriating money; amending Minnesota Statutes 1976, Sections 145.922, by adding a subdivision; 256B.02, Subdivision 8; 393.07, by adding a subdivision; Chapters 256B, by adding a section; and 261, by adding a section.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Lessard, Johnson, Willet, Coleman and Peterson introduced—

S. F. No. 2113: A bill for an act relating to timber lands; auction and informal sales of state timber; authorizing the commissioner of natural resources to grant a second extension of time for removal of cut timber, equipment and buildings for hardship reasons; removing the requirement of a certain affidavit for informal sales; amending Minnesota Statutes 1976, Sections 90.151, Subdivision 1; and 90.191, Subdivisions 1 and 2.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Sieloff introduced—

S. F. No. 2114: A bill for an act relating to health care plans for employees; exempting certain accident and health plans from the comprehensive health insurance act of 1976; amending Minnesota Statutes 1976, Section 62E.02, Subdivision 9.

Referred to the Committee on Commerce.

Messrs. Luther; Johnson; Keefe, S. and Sikorski introduced—

S. F. No. 2115: A bill for an act relating to public utilities; providing for base usage rates and quantities for electricity and

natural gas; amending Minnesota Statutes 1976, Chapter 216B, by adding a section.

Referred to the Committee on Commerce.

Messrs. Luther; Johnson; Keefe, S. and Sikorski introduced—

S. F. No. 2116: A bill for an act relating to public utilities; granting authority to the public service commission to regulate and apportion peak shaving capabilities of public gas utilities; amending Minnesota Statutes 1976, Section 216B.09.

Referred to the Committee on Commerce.

Messrs. Schmitz, Chmielewski, Wegener, Laufenburger and Kirchner introduced—

S. F. No. 2117: A bill for an act relating to highways; county state-aid highway system; allocation of apportionments; authorizing money credited to the municipal account to be used on certain county state-aid highways; amending Minnesota Statutes 1976, Section 162.08, Subdivision 4.

Referred to the Committee on Transportation.

Mr. Willet introduced—

S. F. No. 2118: A bill for an act relating to aeronautics; providing for reimbursement for services; changing the permitted number of certain types of airports; permitting municipalities flexibility in airport acquisitions; amending Minnesota Statutes 1976, Sections 360.015, Subdivision 7; 360.032, by adding a subdivision; and 360.305, Subdivision 3.

Referred to the Committee on Transportation.

Messrs. Jensen; Ulland, J.; Pillsbury; Ashbach and Ueland, A. introduced—

S. F. No. 2119: A bill for an act relating to elections; concerning the registration of voters; regarding voter change in domicile or name; amending Minnesota Statutes, 1977 Supplement, Section 201.161.

Referred to the Committee on Elections.

Mr. Schaaf introduced—

S. F. No. 2120: A bill for an act relating to conveyances; providing for the adoption of uniform conveyancing forms to replace certain forms in use; amending Minnesota Statutes 1976, Section 507.09.

Referred to the Committee on Judiciary.

Messrs. Bernhagen, Engler, Hanson, Setzepfandt and Sillers introduced—

S. F. No. 2121: A bill for an act relating to agriculture; creating the Minnesota advisory task force on major agricultural products marketing; appropriating money.

Referred to the Committee on Agriculture and Natural Resources.

Mrs. Brataas, Messrs. Sieloff, Merriam, Bernhagen and Sillers introduced—

S. F. No. 2122: A bill for an act relating to parties to actions; concerning liability of a guardian for damage done by a minor; amending Minnesota Statutes 1976, Section 540.18, Subdivision 1.

Referred to the Committee on Judiciary.

Messrs. McCutcheon, Schaaf, Moe, Coleman and Ashbach introduced—

S. F. No. 2123: A bill for an act relating to the operation of state government; providing for the auditing of state agencies by the legislative auditor; prescribing the terms of office and conditions of employment for the legislative auditor, his deputies and employees; establishing review and approval procedures for audits conducted by certain outside accountants; requiring the housing finance agency and certain other agencies to receive approval for certain auditing contracts; amending Minnesota Statutes 1976, Sections 3.97, Subdivisions 4 and 5; 3.971, Subdivision 1; 3.972; 3.974; and Minnesota Statutes, 1977 Supplement, Section 462A.22, Subdivision 10.

Referred to the Committee on Governmental Operations.

Messrs. Keefe, S.; Borden; Perpich; Sikorski and Spear introduced—

S. F. No. 2124: A bill for an act relating to public welfare; adjusting eligibility requirements for medical assistance benefits; authorizing the commissioner of public welfare to seek a waiver from federal regulations; amending Minnesota Statutes 1976, Sections 256.935, Subdivision 2; 256B.07; and Minnesota Statutes, 1977 Supplement, Section 256B.06, Subdivision 1.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Olhoff; Gearty; Mrs. Knaak; Messrs. Keefe, S. and Merriam introduced—

S. F. No. 2125: A bill for an act relating to health maintenance organizations; declaring legislative intent and public policy favoring childbirth over abortion; eliminating any requirements that health maintenance organizations provide elective, induced abor-

tions; amending Minnesota Statutes 1976, Sections 62D.01, by adding a subdivision; 62D.02, Subdivision 7; and 62D.22, Subdivision 5.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Setzepfandt, Lessard, Nichols, Peterson and Ashbach introduced—

S. F. No. 2126: A bill for an act relating to taxation; sales tax; exempting home heating fuel; amending Minnesota Statutes 1976, Section 297A.25, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Setzepfandt, Wegener and Renneke introduced—

S. F. No. 2127: A bill for an act relating to energy; authorizing city and county expenditures outside of levy limits to pay for energy surveys; amending Minnesota Statutes, 1977 Supplement, Section 116H.124.

Referred to the Committee on Taxes and Tax Laws.

Mr. Keefe, S.; Mrs. Staples and Mr. Renneke introduced—

S. F. No. 2128: A bill for an act relating to emergency telephone systems; providing for the payment of certain costs of operating emergency telephone systems; amending Minnesota Statutes, 1977 Supplement, Section 403.11.

Referred to the Committee on Finance.

Messrs. Hughes, Anderson, Nichols, Dunn and Stumpf introduced—

S. F. No. 2129: A bill for an act relating to education; vocational-technical schools; providing tuition exemption for certain veterans.

Referred to the Committee on Education.

Mr. Merriam, Mrs. Knaak, Messrs. Tennessen, Davies and McCutcheon introduced—

S. F. No. 2130: A bill for an act relating to crimes; prescribing penalties for the possession of controlled substances on the premises of elementary, middle and secondary schools; amending Minnesota Statutes 1976, Section 152.15, by adding a subdivision.

Referred to the Committee on Judiciary.

Mr. Sieloff introduced—

S. F. No. 2131: A bill for an act relating to taxation; income.

tax; restructuring minimum tax on preference items; amending Minnesota Statutes, 1977 Supplement, Section 290.091.

Referred to the Committee on Taxes and Tax Laws.

Mr. Peterson introduced—

S. F. No. 2132: A bill for an act relating to retirement; excluding certain part-time personnel from membership in the teachers retirement association; amending Minnesota Statutes, 1977 Supplement, Section 354.05, Subdivision 2.

Referred to the Committee on Governmental Operations.

Mr. Knutson introduced—

S. F. No. 2133: A bill for an act relating to the city of Eagan; volunteer firemen's service pensions; amending Laws 1975, Chapter 43, Section 1.

Referred to the Committee on Governmental Operations.

Messrs. Hughes; Moe; Stumpf; Keefe, J. and Strand introduced—

S. F. No. 2134: A bill for an act relating to education; career education; establishing a planning and grant program for career education; appropriating money.

Referred to the Committee on Education.

Mr. Ulland, J. introduced—

S. F. No. 2135: A bill for an act relating to state buildings; providing for the acquisition and installation of works of art in newly constructed buildings; amending Minnesota Statutes 1976, Section 16.02, Subdivision 5; and Chapter 16, by adding a section.

Referred to the Committee on Governmental Operations.

Messrs. Dunn, Kleinbaum, Laufenburger, Frederick and Willet introduced—

S. F. No. 2136: A bill for an act relating to unemployment compensation; limiting the coverage of agricultural employers of certain children; amending Minnesota Statutes, 1977 Supplement, Section 268.04, Subdivision 12.

Referred to the Committee on Employment.

Messrs. Johnson, Perpich, McCutcheon, Lessard and Coleman introduced—

S. F. No. 2137: A bill for an act relating to taxation, property tax; providing funds for the taconite property tax relief account;

appropriating money; amending Minnesota Statutes, 1977 Supplement, Section 298.293.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Johnson, Willet, Hanson, Moe and Setzepfandt introduced—

S. F. No. 2138: A bill for an act relating to natural resources; outdoor recreation system; requiring public hearings prior to planning or developing units of the outdoor recreation system; amending Minnesota Statutes 1976, Section 86A.09, by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Dunn; Schmitz; Chmielewski; Ueland, A. and Wegener introduced—

S. F. No. 2139: A bill for an act relating to municipal elections; providing for the hours of voting; establishing procedures for establishing candidacy; establishing filing fees; providing for the printing of election materials and ballots; providing for publication and posting of sample ballots; amending Minnesota Statutes 1976, Sections 205.021; 205.03; 205.13; 205.14, Subdivisions 1 and 3; and 205.16, Subdivision 2, and by adding a subdivision; repealing Minnesota Statutes 1976, Section 365.60.

Referred to the Committee on Elections.

Messrs. Hughes, Dieterich, Merriam, Sillers and Anderson introduced—

S. F. No. 2140: A bill for an act relating to education; council on quality education; providing grants for certain innovative shared time education programs to be distributed by the council; requiring certain duties of the state department of education; appropriating money.

Referred to the Committee on Education.

Messrs. Penny; Keefe, S. and Laufenburger introduced—

S. F. No. 2141: A bill for an act relating to unemployment compensation; providing for conformity with federal requirements; altering definition of employer; altering definition of employment; providing group accounts for contributing governmental employers; altering deduction of social security from benefits; altering benefits for public employees; altering noncharging of certain benefits; altering appeal provisions; altering administration fund; altering provision as to summer youth employment; amending Minnesota Statutes 1976, Sections 268.14, Subdivision 3; 268.15, Subdivision 1; 268.18, Subdivisions 1 and 2; Minnesota Statutes,

1977 Supplement, Sections 268.04, Subdivisions 10 and 12; 268.06, Subdivision 31; 268.08, Subdivisions 3 and 6; 268.09, Subdivision 3; 268.10, Subdivision 2; 268.34; and 268.35.

Referred to the Committee on Employment.

Mr. Lessard introduced—

S. F. No. 2142: A bill for an act relating to the city of Nashwauk; police relief pensions and widows benefits; officers of association; amending Laws 1943, Chapter 196, Sections 4, as amended; and 8.

Referred to the Committee on Governmental Operations.

Mrs. Staples, Messrs. Borden, Lewis, Schaaf and Nelson introduced—

S. F. No. 2143: A bill for an act relating to family planning services; providing for the establishment of a comprehensive state family planning services plan; appropriating funds.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Willet, Johnson and Lessard introduced—

S. F. No. 2144: A bill for an act relating to workers' compensation; creating a state insurance fund and administrative agency; amending Minnesota Statutes 1976, Sections 43.09, Subdivision 2; 79.01, Subdivision 2; 176.181, Subdivision 2; 176.185, Subdivisions 1 and 2; 176.541, Subdivision 8; and Chapter 176, by adding a section.

Referred to the Committee on Employment.

Mr. Willet introduced—

S. F. No. 2145: A bill for an act relating to intoxicated persons; providing for detention of intoxicated persons; amending Minnesota Statutes 1976, Section 253A.04, Subdivision 2.

Referred to the Committee on Judiciary.

Mr. Davies introduced—

S. F. No. 2146: A bill for an act relating to automobile insurance; authorizing exclusion of certain high risk drivers from household coverages; requiring exclusion of such drivers from premium calculations under certain circumstances; prescribing penalties; amending Minnesota Statutes 1976, Chapter 65B, by adding a section.

Referred to the Committee on Commerce.

Messrs. Merriam, Hughes, Anderson, Sillers and Humphrey introduced—

S. F. No. 2147: A bill for an act relating to education; establishing a formula for the funding of secondary vocational education programs for handicapped children; transferring and reappropriating money; amending Minnesota Statutes 1976, Chapter 124, by adding a section.

Referred to the Committee on Education.

Messrs. Sillers, Knutson, Anderson and Ulland, J. introduced—

S. F. No. 2148: A bill for an act relating to drivers' licenses; providing for automatic reinstatement of nonresident driving privilege in certain circumstances; providing limited protection to a resident whose driving privilege in another state has been suspended or revoked; amending Minnesota Statutes 1976, Section 171.15; and Chapter 171, by adding a section.

Referred to the Committee on Judiciary.

Messrs. McCutcheon, Coleman, Borden, Hanson and Johnson introduced—

S. F. No. 2149: A bill for an act relating to taxation; conforming deductions for individual income tax; reducing certain income tax rates; increasing credits available to certain taxpayers; authorizing the commissioner of revenue to prescribe new forms; exempting newsprint and ink from sales tax; repealing employer's excise tax; amending Minnesota Statutes 1976, Sections 290.06, Subdivision 3d; 290.10; 297A.14; 297A.25, Subdivision 1; and Minnesota Statutes, 1977 Supplement, Sections 290.06, Subdivision 2c; 290.09, Subdivisions 4, 5, and 10; and 290.21, Subdivision 3; repealing Minnesota Statutes 1976, Sections 290.031, Subdivisions 1, 2, 3, 5 and 6; 290.21, Subdivision 7; and Minnesota Statutes, 1977 Supplement, Section 290.031, Subdivision 4.

Referred to the Committee on Taxes and Tax Laws.

Mr. McCutcheon introduced—

S. F. No. 2150: A bill for an act relating to peace officers; providing for an exemption from certain statutory requirements for prospective peace officers; amending Minnesota Statutes, 1977 Supplement, Section 626.846, by adding a subdivision.

Referred to the Committee on General Legislation and Veterans Affairs.

Mr. Benedict introduced—

S. F. No. 2151: A bill for an act relating to energy; creating an agricultural energy conversion board; providing an appropriation.

Referred to the Committee on Energy and Housing.

Mr. Luther introduced—

S. F. No. 2152: A bill for an act relating to unemployment compensation; waiving interest penalties for certain excusable delays in payment of employer contributions; amending Minnesota Statutes 1976, Section 268.16, Subdivision 1, and by adding a subdivision.

Referred to the Committee on Employment.

Messrs. Penny, Lessard, Sikorski, Kirchner and Schmitz introduced—

S. F. No. 2153: A bill for an act relating to motor vehicles; registration and taxation; providing for the registration and taxation of certain vehicles without renewal for the period of time that the vehicle is owned by the registering owner; amending Minnesota Statutes 1976, Section 168.013, Subdivision 1; and Minnesota Statutes, 1977 Supplement, Section 168.013, Subdivision 1d.

Referred to the Committee on Transportation.

Mr. Wegener introduced—

S. F. No. 2154: A bill for an act relating to counties; concerning the investment of county funds; amending Minnesota Statutes 1976, Section 385.07.

Referred to the Committee on Local Government.

Messrs. Dieterich, Bernhagen, Hanson and Sikorski introduced—

S. F. No. 2155: A bill for an act relating to Minnesota Statutes; correcting erroneous, ambiguous, omitted and obsolete references and text; eliminating duplicate, redundant, conflicting and superseded provisions; amending Minnesota Statutes 1976, Sections 6.58; 15.0411, Subdivision 3; 16A.26; 40.072, Subdivision 3; 41.53, Subdivision 2; 44.06, Subdivision 2; 53.03, by adding a subdivision; 84A.55, Subdivision 14; 150A.09, Subdivision 1; 161.09, Subdivision 1; 161.14, Subdivision 19; 251.09; 251.10; 251.11; 251.12; 251.13; 254A.08, Subdivision 3; 270.08; 290.24; 290.49, Subdivision 10; 326.08, Subdivision 2; 366.10; 475.51, Subdivision 1; Minnesota Statutes, 1977 Supplement, Sections 15.0411, Subdivision 2; 15A.083, Subdivision 2; 16A.129; 50.14, Subdivision 5; 116C.63, Subdivision 4; 214.01, Subdivision 3; 256B.48, Subdivision 1; 290.01, Subdivision 20; 290.09, Subdivision 4; 319A.02, Subdivision 2; 343.08; 517.08, Subdivision 1; 593.42, Subdivision 5; 593.45, Subdivision 4; 593.46, Subdivision 2; Extra Session Laws 1959, Chapter 19, by adding a section; repealing Minnesota Statutes 1976, Sections 33.10; 33.11; 33.12; 33.14; 33.15; 33.171; 270.051, Subdivision 1; 602.04; Minnesota Statutes, 1977 Supplement, Sections 33.13; Laws 1975, Chapters 61, Section 8; 136, Sections 11, 13, 57 and 58; Laws 1976, Chapters 44, Section 18; 163, Section 54; 222, Sections 25, Subdivisions 8, and 78; 263, Section

8; Laws 1977, Chapters 264, Section 3; 299, Section 6; 326, Section 8; 346, Section 7.

Referred to the Committee on Judiciary.

Messrs. Moe, Chmielewski, Willet and Luther introduced—

S. F. No. 2156: A bill for an act relating to natural resources; concerning water resources; revising certain provisions concerning dams, reservoirs, control structures, and waterway obstructions; prescribing certain fees to finance safety examinations relating to such projects; appropriating money; amending Minnesota Statutes 1976, Sections 105.42, Subdivision 2; 105.482, Subdivision 2; 105.52; 105.53; and Minnesota Statutes, 1977 Supplement, Section 105.44, Subdivision 10.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Bang; Kirchner; Keefe, J. and Benedict introduced—

S. F. No. 2157: A bill for an act relating to Independent School District No. 272 (Eden Prairie) and Independent School District No. 271 (Bloomington); providing for the transfer of territory from Independent School District No. 272 to Independent School District No. 271.

Referred to the Committee on Education.

Messrs. Penny, Borden, Johnson, Solon and Sikorski introduced—

S. F. No. 2158: A bill for an act relating to commerce; credit unions; authorizing approval of lines of credit by credit committee; amending Minnesota Statutes 1976, Sections 52.10 and 52.16.

Referred to the Committee on Commerce.

Messrs. Hanson, Purfeerst, Strand, Schrom and Bernhagen introduced—

S. F. No. 2159: A bill for an act relating to agriculture; public local grain warehouses; requiring warning on certain grain purchase contracts; amending Minnesota Statutes 1976, Section 232.13.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Dieterich, Perpich, Solon, Nelson and Vega introduced—

S. F. No. 2160: A bill for an act relating to public welfare; providing compensation to residents of state institutions; accepting volunteer services; authorizing rule promulgation for child cost of

care; authorizing ward institutional placement for respite care; allowing the commissioner to consent to ward surgical operations; concerning the discharge of a committed patient; providing for a hospital program plan; concerning local welfare hearing; regarding child support; amending Minnesota Statutes 1976, Sections 246.36; 252A.11, Subdivision 3; 252A.13, Subdivision 1; 253A.15, Subdivision 11; 253A.17, Subdivision 9; 256.045, Subdivision 2; Chapter 246, by adding a section; Minnesota Statutes, 1977 Supplement, Sections 252.27, Subdivision 2; 256.873; repealing Minnesota Statutes 1976, Section 246.55.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Benedict introduced—

S. F. No. 2161: A bill for an act relating to energy conservation; appropriating money for an infrared aerial survey of the city of Bloomington.

Referred to the Committee on Energy and Housing.

Messrs. Strand, Peterson, Ogdahl, Stokowski and Renneke introduced—

S. F. No. 2162: A bill for an act relating to retirement; refunds to surviving spouses of judges; amending Minnesota Statutes 1976, Section 490.124, Subdivision 12.

Referred to the Committee on Governmental Operations.

Messrs. Olson; Keefe, S.; Schaaf; Borden and Keefe, J. introduced—

S. F. No. 2163: A bill for an act relating to public improvements; authorizing the department of administration and the capitol area architectural and planning board to plan for the construction of a new facility for the pollution control agency, the department of natural resources, the department of agriculture, and other state offices which presently lease space in the metropolitan area; appropriating money.

Referred to the Committee on Governmental Operations.

Messrs. Menning, Setzepfandt, Luther, Renneke and Gunderson introduced—

S. F. No. 2164: A bill for an act relating to pollution control; requiring county approval of animal feedlot application permits; amending Minnesota Statutes 1976, Section 116.07, Subdivision 7.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Penny, Stokowski, Borden and Renneke introduced—

S. F. No. 2165: A bill for an act relating to retirement; increased benefits of former probate judges; payment by the Minnesota state retirement system; appropriating money; amending Minnesota Statutes 1976, Chapter 490, by adding a section.

Referred to the Committee on Governmental Operations.

Messrs. Knoll and Pillsbury introduced—

S. F. No. 2166: A bill for an act relating to employment agencies; providing an exemption for management consultant firms from employment agency regulation; amending Minnesota Statutes 1976, Section 184.21, Subdivision 2.

Referred to the Committee on Employment.

Mrs. Staples introduced—

S. F. No. 2167: A bill for an act relating to the city of Plymouth; firemen's relief association benefits.

Referred to the Committee on Governmental Operations.

Messrs. Bernhagen, Johnson, Peterson, Chmielewski and Sillers introduced—

S. F. No. 2168: A bill for an act relating to taxation; property tax; providing for reassessment of substantially damaged property; amending Minnesota Statutes 1976, Section 273.01; and Minnesota Statutes, 1977 Supplement, Sections 274.01, Subdivision 1; and 274.13, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Purfeerst, Olson, Engler, Bernhagen and Laufenburger introduced—

S. F. No. 2169: A bill for an act relating to agriculture; shade tree disease control program; providing reforestation grants to certain municipalities; amending Minnesota Statutes, 1977 Supplement, Section 18.023, Subdivision 3a.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Spear, Johnson, Borden and Keefe, S. introduced—

S. F. No. 2170: A bill for an act relating to commerce; credit unions; modifying reserve fund requirements; amending Minnesota Statutes 1976, Section 52.17.

Referred to the Committee on Commerce.

Messrs. Chmielewski, Moe, Lessard, Engler and Purfeerst introduced—

S. F. No. 2171: A bill for an act relating to public safety; setting the duty assignments of highway patrol pilots.

Referred to the Committee on Transportation.

Messrs. Engler, Frederick, Purfeerst, Sillers and Olson introduced—

S. F. No. 2172: A bill for an act relating to energy; creating an agricultural energy conversion board; providing an appropriation.

Referred to the Committee on Energy and Housing.

Messrs. Johnson, Perpich and Lessard introduced—

S. F. No. 2173: A bill for an act relating to taxation; distribution of taconite and iron sulphide mining and production tax; amending Minnesota Statutes, 1977 Supplement, Section 298.28, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Johnson, Perpich and Lessard introduced—

S. F. No. 2174: A bill for an act relating to taxation; distribution of taconite taxes to school districts; amending Minnesota Statutes, 1977 Supplement, Section 298.28, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Merriam introduced—

S. F. No. 2175: A bill for an act relating to sheriffs; abrogating the right to appeal to district court on salary and budget matters; amending Minnesota Statutes 1976, Section 387.20, Subdivision 8; repealing Minnesota Statutes 1976, Section 387.20, Subdivision 7.

Referred to the Committee on Local Government.

Messrs. Purfeerst, Schaaf, Kirchner, Laufenburger and Gearty introduced—

S. F. No. 2176: A bill for an act relating to transportation; providing for a transportation regulation board; providing for the transfer of certain duties, powers and functions by the public service commission and the commissioner of transportation to the transportation regulation board; regulating railroads and other common carriers of persons or property for hire; providing penalties; appropriating funds; amending Minnesota Statutes 1976, Sections 174.02, Subdivision 4; 174.03, Subdivision 2; 174.10, Subdivisions 1, 3 and 4; and Minnesota Statutes, 1977 Supplement, Section 15A.081, Subdivision 1; repealing Minnesota Statutes 1976, Chapters 218, as amended; 219, as amended; and 221, as amended.

Referred to the Committee on Governmental Operations. Mr. Tennesen questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Messrs. Nichols, Setzepfandt, Menning, Peterson and Strand introduced—

S. F. No. 2177: A bill for an act relating to workers' compensation; providing the time in which actions or proceedings shall be taken; amending Minnesota Statutes 1976, Section 176.151.

Referred to the Committee on Employment.

Messrs. Nichols, Strand, Menning and Laufenburger introduced—

S. F. No. 2178: A bill for an act relating to workers' compensation; providing retraining benefits for certain employees; amending Minnesota Statutes, 1977 Supplement, Section 176.101, Subdivision 7.

Referred to the Committee on Employment.

Messrs. Engler, Laufenburger, Purfeerst, Frederick and Anderson introduced—

S. F. No. 2179: A bill for an act relating to Independent School District No. 256 (Red Wing); appropriating money.

Referred to the Committee on Education.

Messrs. Engler and Laufenburger introduced—

S. F. No. 2180: A bill for an act relating to transportation; authorizing permits for the construction of agricultural fences on a highway right-of-way.

Referred to the Committee on Transportation.

Messrs. Strand, Olhoft and Gunderson introduced—

S. F. No. 2181: A bill for an act relating to the practice of dentistry; amending Minnesota Statutes 1976, Sections 150A.06, Subdivision 4; 150A.08, Subdivision 1; and 150A.09, by adding subdivisions.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Strand, Tennesen and Merriam introduced—

S. F. No. 2182: A bill for an act relating to corrections; classifying the records of inmates of state correctional institutions; amending Minnesota Statutes 1976, Section 241.06.

Referred to the Committee on Judiciary.

Messrs. Strand, Tennessen and Merriam introduced—

S. F. No. 2183: A bill for an act relating to the administration of justice; providing for compensation of assistant public defenders; amending Minnesota Statutes 1976, Section 611.24.

Referred to the Committee on Judiciary.

Mr. Humphrey introduced—

S. F. No. 2184: A bill for an act relating to children; establishing grants-in-aid for the operation of outreach worker programs; appropriating money.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Schaaf and Gearty introduced—

S. F. No. 2185: A bill for an act relating to the organization and operation of state government; restructuring the department of commerce; establishing the position of commissioner of commerce; abolishing the commerce commission; transferring the powers of the commissioners of banks, insurance and securities and the director of consumer services; prescribing certain reporting requirements; soliciting recommendations on necessary statutory changes; amending Minnesota Statutes 1976, Sections 45.01; 45.03; 45.05; 46.08, Subdivision 1; 60A.03, Subdivisions 2, 3 and 5; 80A.19, Subdivision 1; Chapter 45, by adding a section; and Minnesota Statutes, 1977 Supplement, Sections 15.06, Subdivision 1; 15A.081, Subdivision 1; and 46.01; repealing Minnesota Statutes 1976, Sections 45.031; 45.032; and 80A.19, Subdivision 3; and Minnesota Statutes, 1977 Supplement, Sections 45.02; 45.15; and 60A.03, Subdivision 1.

Referred to the Committee on Governmental Operations. Mr. Tennessen questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Dunn introduced—

S. F. No. 2186: A bill for an act relating to hospitals; providing for payment of election judges; providing hospital board members with travel and other expenses incurred in the performance of their duties; authorizing hospital boards to set compensation for board members; amending Minnesota Statutes 1976, Section 447.32, Subdivision 4, and by adding a subdivision.

Referred to the Committee on Local Government.

Messrs. Anderson and Perpich introduced—

S. F. No. 2187: A bill for an act relating to public health; providing certain state assistance to community health service agen-

cies for the purpose of improving dental health of nursing home residents; appropriating money.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. McCutcheon, Olson, Peterson, Wegener and Schrom introduced—

S. F. No. 2188: A bill for an act relating to the national guard; providing a bonus for re-enlistment; appropriating money; amending Minnesota Statutes 1976, Section 192.205, Subdivision 1.

Referred to the Committee on General Legislation and Veterans Affairs.

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. 417: A bill for an act relating to highway traffic regulations; accidents; requiring certain information to be given; raising the amount of property damage required before an accident must be reported to the commissioner of public safety; providing penalties; amending Minnesota Statutes 1976, Section 169.09, Subdivisions 3, 7, and 14.

Senate File No. 417 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned February 13, 1978

CONCURRENCE AND REPASSAGE

Mr. Solon moved that the Senate concur in the amendments by the House to S. F. No. 417 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 417 was read the third time, as amended by the House, and placed on its repassage.

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

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

Those who voted in the affirmative were:

Anderson	Davies	Hanson	Knoll	Nelson
Bang	Dieterich	Hughes	Laufenburger	Nichols
Bernhagen	Dunn	Humphrey	Lewis	Ogdahl
Borden	Engler	Jensen	Luther	Olhoft
Brataas	Frederick	Keefe, S.	McCutcheon	Olson
Chmielewski	Gearty	Kleinbaum	Menning	Penny
Coleman	Gunderson	Knaak	Moe	Perpich

Peterson	Schmitz	Sillers	Strand	Vega
Pillsbury	Schrom	Solon	Stumpf	Wegener
Purfeerst	Setzepfandt	Spear	Tennessee	Willet
Renneke	Sieloff	Staples	Ueland, A.	
Schaaf	Sikorski	Stokowski	Ulland, J.	

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. 975: A bill for an act relating to counties; authorizing appointment of county administrators and executive secretaries without referendum; amending Minnesota Statutes 1976, Sections 375.48, Subdivision 1; and 375A.06, by adding a subdivision.

Senate File No. 975 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned February 13, 1978

CONCURRENCE AND REPASSAGE

Mr. Wegener moved that the Senate concur in the amendments by the House to S. F. No. 975 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 975 was read the third time, as amended by the House, and placed on its repassage.

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

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

Those who voted in the affirmative were:

Anderson	Engler	Laufenburger	Peterson	Staples
Ashbach	Frederick	Lewis	Pillsbury	Stokowski
Bang	Gerty	Luther	Purfeerst	Strand
Benedict	Gunderson	McCutcheon	Renneke	Stumpf
Bernhagen	Hanson	Menning	Schmitz	Tennessee
Borden	Humphrey	Moe	Schrom	Ueland, A.
Brataas	Jensen	Nelson	Setzepfandt	Ulland, J.
Chmielewski	Keefe, J.	Nichols	Sieloff	Vega
Coleman	Keefe, S.	Olhoft	Sikorski	Wegener
Davies	Kleinbaum	Olson	Sillers	Willet
Dieterich	Knaak	Penny	Solon	
Dunn	Knutson	Perpich	Spear	

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

MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the

following House Files, herewith transmitted: H. F. Nos. 1297, 1661, 1744, 1791, 1812, 1813, 1879 and 404.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted February 13, 1978

FIRST READING OF HOUSE BILLS

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

H. F. No. 1297: A bill for an act relating to wild animals; prescribing nonresident license fees for taking of raccoon; requiring tagging of raccoon taken by nonresidents; clarifying the use of lights when taking raccoon; amending Minnesota Statutes 1976, Sections 98.45, Subdivision 3; 98.46, Subdivision 22, and by adding a subdivision; 100.29, Subdivision 10; and Minnesota Statutes, 1977 Supplement, Sections 98.46, Subdivision 14; and 98.52, Subdivision 1.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1212 now in the Subcommittee on Bill Scheduling.

H. F. No. 1661: A bill for an act relating to pollution control; providing for publication in the state register of certain behind schedule and substandard wastewater treatment projects.

Referred to the Committee on Agriculture and Natural Resources.

H. F. No. 1744: A bill for an act relating to mobility disabled persons; requiring installation and use of wheelchair securement devices in vehicles used for transporting wheelchair users; providing for inspection of wheelchair securement devices; requiring other safety measures in vehicles used for transporting wheelchair users; authorizing the admissibility of certain evidence in litigation; providing penalties.

Referred to the Committee on Transportation.

H. F. No. 1791: A resolution memorializing the President and Congress to pass the Humphrey-Hawkins full employment bill.

Referred to the Committee on Rules and Administration.

H. F. No. 1812: A bill for an act relating to the city of St. Cloud in Stearns county; authorizing the establishment of detached facilities under certain conditions.

Referred to the Committee on Commerce.

H. F. No. 1813: A bill for an act relating to the town of Leota in Nobles county; authorizing the establishment of detached banking facilities.

Referred to the Committee on Commerce.

H. F. No. 1879: A bill for an act relating to the trunk highway system; discontinuing and removing certain routes therefrom; adding a new route in substitution of an existing route.

Referred to the Committee on Transportation.

H. F. No. 404: A bill for an act relating to political activities; providing for their regulation; defining terms; revising certain filing and reporting requirements; clarifying language; imposing expenditure and contribution limits; revising distribution of moneys from the state elections campaign fund to legislative candidates; removing obsolete provisions; providing penalties; amending Minnesota Statutes 1976, Sections 10A.01, Subdivisions 2, 5, 7, 9, 10, 11, 13, 15, 16 and 18, and by adding subdivisions; 10A.02, Subdivisions 1, 2, 4, 8, 9, 11, 12 and 13, and by adding a subdivision; 10A.04, Subdivision 1; 10A.07; 10A.09, Subdivision 6; 10A.11, Subdivisions 1 and 6; 10A.12, Subdivisions 1, 4 and 5; 10A.13; 10A.14, Subdivisions 1 and 2; 10A.15; 10A.16; 10A.17; 10A.19, Subdivision 1; 10A.20, Subdivisions 3, 4, 5 and 6; 10A.22, Subdivisions 1, 3, 4, 5 and 7; 10A.24; 10A.25; 10A.27; 10A.28; 10A.29; 10A.31, Subdivisions 3a, 5, 6, 7, 10, and by adding a subdivision; 10A.32; 10A.33; and 210A.01, Subdivision 3; and Chapter 10A, by adding sections; repealing Minnesota Statutes 1976, Sections 10A.09, Subdivision 7; 10A.17, Subdivision 2; and 10A.26.

Mr. Keefe, S. moved that H. F. No. 404 be laid on the table. The motion prevailed.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

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

S. F. No. 1955: A bill for an act relating to transportation construction contracts; defining the term "small business"; amending Minnesota Statutes, 1977 Supplement, Section 161.321, Subdivision 1.

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

Page 1, line 16, reinstate the stricken "which"

Page 1, line 17, reinstate the stricken "has its principal place of business in"

Page 1, line 17, before the comma, insert "*the United States*"

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

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

S. F. No. 1643: A bill for an act relating to agriculture; corn detasseling employees; providing minimum labor standards; amending Minnesota Statutes 1976, Section 177.23, Subdivision 7; and Chapter 181, by adding sections.

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

Pages 1 to 3, strike section 1

Page 3, line 10, after "*termination*" insert "*by the employer*"

Page 3, line 10, after the comma, insert "*or injury to, or illness of the employee,*"

Page 3, line 11, after "*terminated*" insert "*, injured or ill*"

Page 3, line 14, after "*termination*" insert "*, injury or illness*"

Page 3, line 14, after "*terminated*" insert "*, injured or ill*"

Page 3, line 16, after "*terminated*" insert "*, injured or became ill,*"

Page 3, line 30, after "*supply*" insert "*in the field and which is*"

Renumber the sections accordingly

Amend the title as follows:

Page 1, line 4, strike "Section 177.23,"

Page 1, line 5, strike "Subdivision 7; and"

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

Mr. Tennesen from the Committee on Commerce, to which was referred

S. F. No. 1789: A bill for an act relating to employments licensed by the state; architects, engineers and landscape architects; requiring knowledge of barrier free design to acquire license; amending Minnesota Statutes 1976, Section 326.10, by adding a subdivision.

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

Mr. Tennesen from the Committee on Commerce, to which was referred

S. F. No. 1886: A bill for an act relating to financial institutions; changing powers of savings and loan associations; amending Minnesota Statutes 1976, Section 51A.21, Subdivision 16.

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

Mr. Tennesen from the Committee on Commerce, to which was referred

S. F. No. 1658: A bill for an act relating to accountancy; providing for licensing of public accountants; prohibiting certain practices; providing penalties; amending Minnesota Statutes 1976, Sections 326.17; 326.18; 326.20, Subdivisions 1 and 2; and Chapter 326, by adding sections.

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

Page 1, line 11, strike "*this act*" and insert "*sections 1 to 12*"

Page 2, line 12, strike "*as*"

Page 5, line 26, strike "*such*"

Page 5, line 32, strike "*such*" and insert "*the*"

Page 6, line 4, strike "*such*" and insert "*the*"

Page 6, line 5, after "*state*" insert "*before July 1, 1978,*"

Page 7, line 9, after "PARTNERSHIPS" insert "AND CORPORATIONS"

Page 7, lines 10 and 25, after "partnership" insert "*or corporation*"

Page 7, line 12, after "partner" insert "*or shareholder*"

Page 7, line 16, strike "*such*" and insert "*the*"

Page 7, line 16, after "partnership" insert "*or secretary of the corporation*"

Page 7, line 23, strike "who" and insert "*or corporations which*"

Page 7, line 25, after "partner" insert "*or secretary*"

Page 7, line 27, after "agents" insert "*or of the corporation and its shareholders or agents*"

Page 7, line 29, after "*partnership*" insert "*or corporation*"

Page 7, line 30, after "*partners*" insert "*or shareholders*"

Page 8, lines 2, 7, and 12, after "*partners*" insert "*or shareholders*"

Page 8, lines 4, 6, 15, and 31, after "*partnership*" insert "*or corporation*"

Page 8, line 15, after the comma insert "*and*"

Page 8, lines 24 and 25, strike "*such*" and insert "*the*"

Page 8, line 28, strike "*all of such person's*" and insert "*has all of his*"

Page 8, line 29, strike "*are*"

Page 9, lines 3, 4, 6, 12, 13, 14, 17, 20, 26, 27, and 30, strike "*such*" and insert "*the*"

Page 9, lines 3, 4, 5, 6, 23, 26, 28 in both cases, and 30, after "*partnership*" insert "*or corporation*"

- Page 10, line 1, after "person" strike "or" and insert a comma
- Page 10, line 1, after "partnership" insert "or corporation"
- Page 10, line 14, strike "said"
- Page 10, line 14, after "section" insert "326.20"
- Page 10, line 25, strike "such" and insert "the"
- Page 10, line 30, strike "said"
- Page 10, line 30, after "section" insert "326.20"
- Page 11, line 4, strike "said" and insert "the"
- Page 11, lines 15, 16, 25, and 29, strike "such" and insert "the"
- Page 11, lines 21 and 25, after "partnership" insert "or corporation"
- Page 11, line 23, strike "such" and insert "those"
- Page 12, line 28, strike "such" and insert "the"
- Page 13, line 3, strike "such" and insert "that"
- Page 13, line 4, strike "and" and insert "or"
- Page 13, lines 5, 17, 20, 21, 22, and 30, strike "such" and insert "the"
- Page 13, line 8, strike the first "such" and insert "the temporary"
- Page 13, line 8, strike the second "such" and insert "the"
- Page 13, line 24, strike "of this act"
- Page 14, lines 10 and 12, strike "such" and insert "the"

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

Mr. Hughes from the Committee on Education, to which was referred

S. F. No. 1722: A bill for an act relating to education; providing educational aids for children attending nonpublic schools; appropriating money; amending Minnesota Statutes 1976, Sections 120.17, Subdivision 9; 123.931; 123.932, Subdivision 7, and by adding subdivisions; 123.933; 123.935; 123.936; 123.937; 124.212, by adding a subdivision; and Chapter 123, by adding a section; Minnesota Statutes, 1977 Supplement, Section 124.212, Subdivision 9a; repealing Minnesota Statutes 1976, Sections 123.932, Subdivisions 1, 6 and 8; 123.934; and Laws 1977, Chapter 447, Article VI, Section 12.

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

Strike everything after the enacting clause and insert the following:

"Section 1. Minnesota Statutes 1976, Section 120.17, Subdivision 9, is amended to read:

Subd. 9. [SPECIAL INSTRUCTION.] ~~After August 15, 1977, No resident of a district who is eligible for special instruction and services pursuant to this section shall be denied provision of this instruction and service on a shared time basis because of attendance at a nonpublic school defined in section 123.932, subdivision 3. Nothing in this subdivision shall be construed to prevent any school district from providing special instruction and services pursuant to section 120.17 on a shared time basis prior to August 15, 1977. The district shall provide necessary transportation from one educational facility to another within the district for resident handicapped pupils who are provided special instruction and services on a shared time basis.~~

Sec. 2. Minnesota Statutes 1976, Section 123.931, is amended to read:

123.931 [DECLARATION OF POLICY.] It is the intent of the legislature ~~by this enactment to provide for distribution of educational aids such as auxiliary services, instructional materials and equipment textbooks, standardized tests and pupil support services~~ so that every school ~~child~~ pupil in the state will share equitably in education benefits and therefore further assure all Minnesota ~~students~~ pupils and their parents freedom of choice in education.

Sec. 3. Minnesota Statutes 1976, Section 123.932, is amended by adding a subdivision to read:

Subd. 1a. As used in sections 123.931 to 123.937, the terms defined in this section shall have the meanings ascribed to them.

Sec. 4. Minnesota Statutes 1976, Section 123.932, is amended by adding a subdivision to read:

Subd. 1b. "Textbook" means any book, workbook or manual, whether bound or in looseleaf form, which a pupil uses as a text or principal source of study in a particular class or program in the school he regularly attends and a copy of which is expected to be available for the individual use of each pupil in this class or program. The term includes only such secular, neutral and nonideological textbooks as are available and are of benefit to Minnesota public school pupils.

Sec. 5. Minnesota Statutes 1976, Section 123.932, is amended by adding a subdivision to read:

Subd. 1c. "Standardized tests" means standardized tests and scoring services which are provided by commercial publishing organizations and which are in use in the public schools of Minnesota to measure the progress of pupils in secular subjects.

Sec. 6. Minnesota Statutes 1976, Section 123.932, is amended by adding a subdivision to read:

Subd. 1d. "Pupil support services" means guidance and counseling services and health services.

Sec. 7. Minnesota Statutes 1976, Section 123.932, is amended by adding a subdivision to read:

Subd. 2a. "Pupils" means elementary and secondary pupils.

Sec. 8. Minnesota Statutes 1976, Section 123.932, is amended by adding a subdivision to read:

Subd. 2b. "Elementary pupils" means pupils in grades kindergarten through six; provided, each kindergarten pupil shall be counted as one-half pupil for all computations pursuant to sections 123.931 to 123.937.

Sec. 9. Minnesota Statutes 1976, Section 123.932, is amended by adding a subdivision to read:

Subd. 2c. "Secondary pupils" means pupils in grades seven through twelve.

Sec. 10. Minnesota Statutes 1976, Section 123.932, Subdivision 7, is amended to read:

Subd. 7. "Intermediary service area" means a school administrative unit approved by the state board of education, other than a single school district, such as including but not limited to the following: (a) a regional educational service area an educational cooperative service unit ; (b) a cooperative of two or more school districts; (c) learning centers; or (d) an association of schools or school districts.

Sec. 11. Minnesota Statutes 1976, Section 123.932, is amended by adding a subdivision to read:

Subd. 9. "Neutral site" means a public center, a mobile unit located off the nonpublic school premises, or any other location off the nonpublic school premises which is neither physically nor educationally identified with the functions of the nonpublic school.

Sec. 12. Minnesota Statutes 1976, Section 123.932, is amended by adding a subdivision to read:

Subd. 10. "Guidance and counseling services" means all activities of a licensed counselor in counseling pupils and parents, providing counseling on learning problems, evaluating the abilities of pupils, assisting pupils in personal and social development and providing referral assistance.

Sec. 13. Minnesota Statutes 1976, Section 123.932, is amended by adding a subdivision to read:

Subd. 11. "Health services" means physician, dental, nursing or optometric services provided to pupils in the field of physical or mental health; provided the term does not include direct educational instruction, services which are required pursuant to section 120.17, or services which are eligible to receive special education aid pursuant to section 124.32.

Sec. 14. Minnesota Statutes 1976, Section 123.933, is amended to read:

123.933 [PURCHASE OR LOAN OF TEXTBOOKS AND STANDARDIZED TESTS.] *Subdivision 1.* The state board of education shall promulgate rules under the provisions of chapter 15, requiring that in each school year, based upon formal requests by or on behalf of nonpublic school students *pupils* in a nonpublic school, the local districts or intermediary service areas shall purchase or otherwise acquire instructional materials *textbooks and standardized tests* and loan or provide them for use by children enrolled in that nonpublic school. These instructional materials *textbooks and standardized tests* shall be loaned or provided free to the children for the school year for which requested. The loan or provision of the instructional materials *textbooks and standardized tests* shall be subject to rules prescribed by the state board of education. In the case of consumable or nonreusable instructional materials the title and possession may be surrendered to the nonpublic school student for whom they are provided; in the case of nonconsumable or reusable instructional materials

Subd. 2. The title to *same textbooks and standardized testing materials* shall remain in the servicing school district or intermediary service area, and possession or custody may be granted or charged to administrators of the nonpublic school attended by the nonpublic school pupil or pupils to whom the instructional materials were *textbooks or standardized tests* are loaned or provided.

Subd. 3. The cost per pupil unit of the instructional materials *textbooks and standardized tests* provided for in sections 123.931 to 123.937 this section for each school year shall not exceed the statewide average cost expenditure per pupil unit spent by the Minnesota public elementary and secondary schools for instructional materials *textbooks and standardized tests* as computed and established by the department of education by each preceding October 1 of the preceding school year from the most recent public school year data then available. The commissioner shall allot to the school districts or intermediary service areas the total cost for each school year of providing or loaning the instructional materials *textbooks and standardized tests* for the students *pupils* in each nonpublic school which shall not exceed the product of the statewide average cost expenditure per pupil unit multiplied by the number of nonpublic school pupil units *pupils who make requests pursuant to this section and who are enrolled as of October 1 September 15* of the preceding current school year.

Sec. 15. Minnesota Statutes 1976, Section 123.935, is amended to read:

123.935 [PROVISION OF PUPIL SUPPORT SERVICES.] *Subdivision 1.* The state board of education shall promulgate rules under the provisions of chapter 15 requiring each school district or other intermediary service area to provide each year upon formal request by a specific date by or on behalf of a nonpublic school student *pupil* enrolled in a nonpublic school located in that district or area, the same auxiliary specific pupil support services as are provided for Minnesota public school

pupils by the district where the nonpublic school is located. The request shall be limited collectively to The district where the nonpublic school is located shall provide the necessary transportation within the district boundaries between the nonpublic school and a public school or neutral site for nonpublic school pupils who are provided pupil support services pursuant to this section. Each request for pupil support services shall set forth the guidance and counseling or health services requested by or on behalf of all nonpublic school students pupils enrolled in a given nonpublic school. The auxiliary services shall be provided in the student's respective school whenever possible by the district or intermediary service area wherein the nonpublic student's school is situated. The cost of the required services shall not exceed the amount allotted under this section to the participating district or intermediary service area. No district or intermediary service area shall expend an amount for these pupil support services which exceeds the amount allotted to it under this section.

Subd. 2. Health services may be provided to nonpublic school pupils pursuant to this section at a public school, a neutral site, the nonpublic school or any other suitable location. Guidance and counseling services may be provided to nonpublic school pupils pursuant to this section only at a public school or a neutral site. District or intermediary service area personnel and representatives of the nonpublic school pupils receiving pupil support services shall hold an annual consultation regarding the location of the provision of these services. The district board or intermediary service area governing board shall make the final decision on the location of the provision of these services.

Subd. 3. Guidance and counseling services provided to nonpublic school pupils pursuant to this section shall not include the planning or selection of particular courses or classroom activities of the nonpublic school.

Subd. 4. Each school year the commissioner shall allot to the school districts or other intermediary service areas for the provision of the health services pursuant to this section the actual cost of the services provided for the pupils in each respective nonpublic school for that school year, but not to exceed \$50 multiplied by the number of nonpublic school pupils in grades 9 through 12 and \$75 the average expenditure per public school pupil for these services by those Minnesota public elementary and secondary schools which provide health services to public school pupils, multiplied by the number of nonpublic school pupils in kindergarten through grade 8, in that particular nonpublic school who request these health services and who are enrolled as of October 1 September 15 of the last preceding current school year.

Subd. 5. Each school year the commissioner shall allot to the school districts or intermediary service areas for the provision of guidance and counseling services pursuant to this section the actual cost of the services provided for the pupils in each respective nonpublic school for that school year. The allotment for guidance and counseling services for the elementary pupils in

each nonpublic school shall not exceed the average expenditure per public school elementary pupil for these services by those Minnesota public schools which provide these services to their elementary pupils, multiplied by the number of elementary pupils in that particular nonpublic school who request these services and who are enrolled as of September 15 of the current school year. The allotment for guidance and counseling services for the secondary pupils in each nonpublic school shall not exceed the average expenditure per public school secondary pupil for these services by those Minnesota public schools which provide these services to their secondary pupils, multiplied by the number of secondary pupils in that particular nonpublic school who request these services and who are enrolled as of September 15 of the current school year.

Subd. 6. For purposes of computing maximum allotments for each school year pursuant to this section, the average public school expenditure per pupil for health services and the average public school expenditure per elementary or secondary pupil for guidance and counseling services shall be computed and established by the department of education by March 1 of the preceding school year from the most recent public school year data then available.

Sec. 16. Minnesota Statutes 1976, Section 123.936, is amended to read:

123.936 [PAYMENTS FOR CONTRACTUAL OBLIGATIONS.] In every event the commissioner shall make such payments to school districts or intermediary service areas pursuant to sections 123.931 to 123.937 as are needed to meet contractual obligations incurred for the provision of benefits to nonpublic school students pursuant to sections 123.933, ~~123.934~~ or 123.935.

Sec. 17. Minnesota Statutes 1976, Chapter 123, is amended by adding a section to read:

[123.9361] [ADMINISTRATIVE COSTS.] *Subdivision 1. Each year the department of education may expend for its costs for administration of sections 123.931 to 123.937 an amount equal to no more than two percent of the total allocation for that year to all school districts or intermediary service areas pursuant to those sections.*

Subd. 2. Each year, a school district or intermediary service area may claim and receive from the department of education an additional sum for the actual cost of administration of sections 123.933 and 123.935, which shall not exceed an amount equal to five percent of the district's or area's allocation for that year pursuant to those sections.

Sec. 18. Minnesota Statutes 1976, Section 123.937, is amended to read:

123.937 [APPROPRIATION.] There is appropriated annually to the department of education from the general fund of the state treasury the sum of ~~\$12,000,000~~ \$4,204,000 for the purposes of sections 123.931 to 123.937.

Sec. 19. Minnesota Statutes, 1977 Supplement, Section 124.212, Subdivision 9a, is amended to read:

Subd. 9a. Shared time pupils are defined as those pupils who attend public schools *school programs* for part of the regular school day and who otherwise fulfill the requirements of section 120.10 by attendance at a private school.

(a) The average daily membership of a pupil enrolled on a shared time basis shall equal the ratio of the total minutes for which the pupil is enrolled and the minimum minutes required during the year for a regularly enrolled public school pupil.

(b) Foundation aid for shared time pupils shall equal the amount which would accrue if shared time pupil units, counted pursuant to section 124.17, subdivision 1, clauses (1) and (2), were added to the district's total pupil units used in determining its foundation aid. Foundation aid for shared time pupils shall be in addition to any other aid to which the district is otherwise entitled and shared time average daily membership shall not be used in the computation of pupil units under section 124.17, subdivision 1, for any purpose other than the computation of shared time foundation aid pursuant to this subdivision.

(c) Foundation aid for shared time pupils shall be paid to the district of the pupil's residence. If a pupil attends shared time classes in another district, the resident district shall pay to the district of attendance an amount of tuition equal to the ratio in clause (a) times the amount of tuition which would be charged and paid for a nonresident public school pupil in a similar circumstance. The district of residence shall not be obligated for tuition except by previous agreement.

(d) Notwithstanding the provisions of clause (c), the resident district of a shared time pupil attending shared time classes in another district may grant the district of attendance, upon its request, permission to claim the pupil as a resident for state aid purposes. In this case, state aid shall be paid to the district of attendance *and, upon agreement, the district of attendance may bill the resident district for any unreimbursed education costs, including unreimbursed transportation costs.*

(e) *Minutes of enrollment in a public school during which a nonpublic school pupil receives services pursuant to section 123.935 shall not be used in the computation of shared time foundation aid pursuant to this subdivision.*

Sec. 20. Minnesota Statutes 1976, Section 124.212, is amended by adding a subdivision to read:

Subd. 9b. Public school programs may be provided to shared time pupils only at a public school building or at a neutral site as defined in section 123.932, except that diagnostic and health services required pursuant to section 120.17 may also be provided at a nonpublic school building. As used in this subdivision, "diagnostic services" means speech, hearing, vision, psychological, medical and dental diagnostic services and "health services" means physician.

nursing or optometric services provided to pupils in the field of physical and mental health.

Sec. 21. Minnesota Statutes, 1977 Supplement, Section 124.223, is amended to read:

124.223 [TRANSPORTATION AID AUTHORIZATION.] For the 1977-1978 1978-1979 school year and thereafter, school transportation and related services for which state transportation aid is authorized are:

(1) Transportation or board of resident pupils who reside one mile or more from the public schools which they could attend, or transportation to, from, or between the schools they attend pursuant to a program approved by the commissioner of education, or who reside one mile or more from a private school actually attended, but only to the extent permitted by sections 123.76 to 123.79 with respect to private school pupils;

(2) Transportation to and from or board and lodging in another district, of resident pupils of a district without a secondary school; the pupils may attend a classified secondary school in another district and shall receive board and lodging in or transportation to and from a district having a classified secondary school at the expense of the district of the pupil's residence;

(3) Transportation to and from a state board approved secondary vocational center for secondary vocational classes for resident pupils of any of the districts who are members of or participating in programs at that center;

(4) Transportation or board and lodging of a handicapped pupil when that pupil cannot be transported on a regular school bus, and the conveying of handicapped pupils between home and school and within the school plant;

(5) When necessary, board and lodging for nonresident handicapped pupils in a district maintaining special classes;

(6) Transportation from one educational facility to another within the district for resident pupils enrolled on a shared time basis in educational programs approved by the commissioner of education;

(7) Transportation for residents to and from the Minnesota school for the deaf or the Minnesota braille and sight-saving school;

(8) Services described in clauses (1) to (7) and clause (10) when provided in conjunction with a state board approved summer school program; and

(9) Transportation to, from or between educational facilities located in any of two or more school districts jointly offering academic classes for resident pupils of any of these districts, if this transportation is provided in conjunction with transportation of resident pupils to a state board approved secondary vocational center; and

(10) Necessary transportation within district boundaries between a nonpublic school and a public school or a neutral site for nonpublic school pupils who are provided pupil support services pursuant to section 123.935.

Sec. 22. The state board of education may promulgate temporary rules for the implementation of sections 123.931 to 123.937 for the 1978-1979 school year. These temporary rules shall be effective for no more than 180 days following their approval by the attorney general.

Sec. 23. [PILOT PROJECTS.] For the 1978-1979 school year, the commissioner of education shall make grants to several school districts for pilot projects for the experimental purchase and use of mobile units to provide pupil support services or shared time services to nonpublic school pupils, or to public and nonpublic school pupils, pursuant to sections 15 and 20 of this act. The commissioner shall prescribe the form, manner and time of application for these grants, and shall select the participating school districts. The commissioner shall report on the pilot projects by October 15, 1979, to the education committees of the legislature.

Sec. 24. [APPROPRIATION.] Subdivision 1. There is appropriated from the general fund to the department of education the sum of \$750,000 for transportation aid pursuant to section 124.223 clauses (6) and (10) and for services described in these clauses provided in conjunction with a state board approved summer school program, for the fiscal year ending June 30, 1979. This amount shall be added to the amount appropriated for transportation aid for this year in Laws 1977, Chapter 447, Article II, Section 11, Subdivision 2.

Subd. 2. There is appropriated from the general fund to the commissioner of education for the fiscal year ending June 30, 1979, the sum of \$150,000 for grants to pilot projects pursuant to section 23 of this act.

Sec. 25. [REPEALERS.] Subdivision 1. Minnesota Statutes 1976, Sections 123.932, Subdivisions 1, 6 and 8; and 123.934, are repealed effective the day following final enactment.

Subd. 2. Minnesota Statutes 1976, Section 123.932, Subdivision 2; and Laws 1977, Chapter 447, Article VI, Section 12, are repealed effective July 1, 1978.

Sec. 26. [EFFECTIVE DATE.] Sections 1 to 17, 19, 20, and 22 of this act shall be effective the day following final enactment."

Further, amend the title as follows:

Page 1, line 10, strike "Section" and insert "Sections"

Page 1, line 10, after the semicolon insert "and 124.223;"

Page 1, line 12, after "1," insert "2,"

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

Mr. Olson from the Committee on General Legislation and Veterans Affairs, to which was referred

S. F. No. 1842: A bill for an act relating to the Minnesota historical society; providing for a liaison position; implementing the administration of a state humanities program; updating statutory provisions; amending Minnesota Statutes 1976, Sections 138.081, Subdivision 2, and by adding a subdivision; 138.17, Subdivision 1; 138.35, Subdivision 1; repealing Minnesota Statutes 1976, Sections 138.162 and 138.18.

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

Page 4, line 24, strike "*Sections*" and insert "*Section*"

Page 4, line 24, strike "*and*"

Page 4, line 25, strike "*138.18 are*" and insert "*is*"

Further, amend the title as follows:

Page 1, line 9, strike "*Sections*" and insert "*Section*"

Page 1, line 9, strike "*and 138.18*"

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

Mr. Olson from the Committee on General Legislation and Veterans Affairs, to which was referred

S. F. No. 1428: A bill for an act relating to American Indians; changing references from native American to American Indian; defining in terms of a federally recognized tribe; amending Minnesota Statutes 1976, Sections 84.10; 124.48; 145.922, Subdivision 2; 152.02, Subdivision 2; 245.76; 254A.02, Subdivision 11; 254A.03; 254A.031; 254A.07, Subdivision 2; 325.41; 362.40, Subdivision 2; 462A.07, Subdivision 14; 462A.21, Subdivision 4c; 462A.26; 472.03, Subdivision 12; and 517.18, Subdivision 4.

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

Page 2, line 11, strike "*such*"

Page 3, line 6, strike "*such*" and insert "*the*"

Page 3, line 22, strike "*such*" and insert "*the*"

Page 4, line 3, strike "*such*" and insert "*the*"

Page 4, line 18, reinstate "*Native*" in both places where it is stricken

Page 4, line 18, strike "*Indian*"

Page 4, line 19, strike "*Indian*"

Page 4, line 21, reinstate "*Native*"

Page 4, line 21, strike "*Indian*"

Page 6, line 25, strike "so"

Page 6, line 25, strike "such" and insert "the"

Page 7, line 5, strike "such" and insert "the"

Page 10, line 10, strike "such" and insert "the"

Page 10, line 11, strike "such" and insert "the"

Page 10, line 15, strike "such"

Page 10, line 21, strike "such"

Page 10, line 28, strike "such"

Page 11, line 1, strike "such" and insert "the"

Page 11, line 5, strike "such" and insert "the"

Page 11, line 14, strike "such" and insert "the"

Page 11, line 20, strike "such" and insert "the"

Page 11, line 21, strike "such" and insert "the"

Page 11, line 23, strike "such"

Page 12, line 19, strike "such"

Page 13, line 30, strike "such" and insert "the"

Page 13, line 31, strike "said" and insert "the"

Page 14, line 1, strike "such" and insert "the"

Page 14, line 3, strike "such" and insert "the"

Page 14, line 13, strike "such" and insert "that"

Page 14, line 19, strike "such" and insert "the"

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

Mr. Olson from the Committee on General Legislation and Veterans Affairs, to which was referred

S. F. No. 1787: A bill for an act relating to the national guard; amending the state military code; providing penalties; amending Minnesota Statutes 1976, Sections 192.06; 192.11; 192.12; 192.261, Subdivisions 5; 192.32; 192.33; 192.34; and Chapter 192, by adding a section; repealing Minnesota Statutes 1976, Sections 190.28; 192.09; and 192.10.

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

Page 1, line 19, strike the first "such" and insert "the"

Page 1, line 19, strike the second "such" and insert "the"

Page 1, line 21, strike "such" and insert "emergency"

Page 2, line 8, strike "such" and insert "the"

Page 2, line 20, strike "insofar as may be" and insert "*that are*"

Page 3, line 1, strike "; provided, that" and insert a period

Page 3, line 3, strike "such" and insert "*an officer*"

Page 3, line 7, strike "such"

Page 3, line 17, strike "Minnesota Statutes 1961,"

Page 3, line 18, strike ", and acts amendatory thereof, except that" and insert a period

Page 3, line 20, strike "such" and insert "*the*"

Page 3, line 22, strike "such"

Page 3, line 27, strike "such"

Page 3, line 29, strike "such" and insert "*the*"

Page 3, line 30, strike "such" and insert "*the same*"

Page 3, line 32, strike "such" and insert "*those*"

Page 4, line 7, strike "such" and insert "*the*"

Page 4, line 13, after "work" insert "(1)"

Page 4, line 16, strike "or" and insert "(2)"

Page 4, line 18, after "or" insert "(3)"

Page 4, line 26, strike "such other" and insert "*another*"

Page 4, line 26, after "position" insert a comma

Page 4, line 27, strike "as" and insert "*and which*"

Page 5, line 12, strike "such" and insert "*the*"

Page 6, line 7, strike "*Minnesota Statutes,*"

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

Mr. Olson from the Committee on General Legislation and Veterans Affairs, to which was referred

S. F. No. 1693: A bill for an act relating to the national guard; increasing the pay for enlisted persons on active duty; amending Minnesota Statutes 1976, Section 192.51.

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

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 1752: A bill for an act relating to nursing homes; authorizing sharing of administrators between certain hospitals and nursing homes; amending Minnesota Statutes 1976, Section 144A.04, Subdivision 5.

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

Page 2, line 6, after "premises." insert "A nursing home may employ as its administrator the registered administrator of a hospital licensed pursuant to sections 144.50 to 144.56 if the individual is licensed as a nursing home administrator pursuant to section 144A.20 and the nursing home and hospital have a total of 150 beds or less, are under the same governing body and are located within one-half mile of each other."

Page 2, line 6, strike the new language

Page 2, line 7, strike the new language

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

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 1880: A bill for an act relating to public welfare; child care services; defining a sliding schedule fee payment plan for child care; appropriating money; amending Minnesota Statutes 1976, Section 245.84, Subdivision 2.

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

Page 2, strike lines 21 to 26 and insert:

"On an annual basis, the commissioner shall establish a median charge for the variety of daycare arrangements for each geographic area. In cases where the provider of child care services charges more than 125 percent of the median charges, the state's payment shall be limited to the difference between 125 percent of the median charge and the fee of the parent."

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

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 1959: A bill for an act relating to towns; providing for supervisors to control legal actions; amending Minnesota Statutes 1976, Sections 365.10; 365.40; and 366.01, by adding a subdivision.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 1699: A bill for an act relating to the town of Little Falls; allowing the town to contract for the lighting of town roads.

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

Strike everything after the enacting clause and insert:

"Section 1. Notwithstanding any law to the contrary, the town board of the town of Little Falls may, upon petition of 60 percent or more of the property owners in an area designated by the petition, provide for road and street lighting in the area. The petition shall be filed with the town clerk, and shall be acted upon at the next meeting of the town board. The petition shall contain at least the following information:

1 A description of the property to be included in the designated area.

2 A request that the cost of electrical service be shared equally or as specified by all property owners of the designated area.

Sec. 2. The town of Little Falls may contract for the installation and maintenance of road and street lighting approved pursuant to section 1 of this act. The town may also contract for the provision of electrical service for road and street lighting in the designated area.

Sec. 3. The town board may contract with benefitted property owners, as provided in the petition, for the reimbursement of electrical service costs incurred by the town in the designated area. The costs for installation and maintenance of road and street lighting shall be assessed against the property owners in the designated area, pursuant to the provisions of chapter 429.

Sec. 4. This act is effective upon approval by the town board of the town of Little Falls and upon compliance with Minnesota Statutes, Section 645.021."

Amend the title as follows:

Page 1, line 3, before the period insert "; allowing reimbursement for electrical service costs; providing for special assessments"

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Elections, to which was referred

S. F. No. 1888: A bill for an act relating to elections; prohibiting misuse of campaign funds; providing a civil penalty; amending Minnesota Statutes 1976, Chapter 210A, by adding a section.

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

Page 1, line 19, after "for" insert "political"

Page 1, line 20, strike "or for" and insert ", to influence public opinion on a public issue or issues,"

Page 1, line 22, before the period insert “, the return of those funds to the persons from which they were received, or expenses to assist a candidate who is elected to office to carry out the duties of that office, including services to his constituents”

Page 2, line 7, strike “noncampaign” and insert “other”

Page 2, after line 21, insert:

“Sec. 2. Minnesota Statutes 1976, Section 210A.19, Subdivision 1, is amended to read:

210A.19 [UNLAWFUL EXPENDITURES; PENALTY.] Subdivision 1. [TREATING BY CANDIDATES PROHIBITED.] Every person or candidate for nomination or election to a public office, who, either by himself or by any other person, directly or indirectly, gives, provides, or pays wholly or in part, or promises to pay wholly or in part, the expenses of giving or providing any meat, drink, or other entertainment or provisions, clothing, liquors, cigars or tobacco to or for any person for the purpose of or with the intent to influence that person or any other person to give or refrain from giving his vote at the primary or election to or for any candidate or measure before the people shall be guilty of a misdemeanor. *This subdivision shall not be construed to prohibit the payment of any compensation, either monetary or in kind, for personal services rendered to a candidate to influence the election of that candidate.*”

Further amend the title as follows:

Page 1, line 4, before “amending” insert “providing that compensation for personal services rendered to influence election of a candidate is not a prohibited expenditure;”

Page 1, line 4, after “1976,” insert “Section 210A.19, Subdivision 1; and”

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

Mr. Anderson from the Committee on Energy and Housing, to which was referred

S. F. No. 1806: A bill for an act relating to housing; providing funds for housing programs for native Americans; appropriating money; amending Minnesota Statutes 1976, Sections 462A.07, by adding a subdivision; 462A.21, by adding a subdivision.

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

Page 1, line 16, after “construction” insert “, purchase”

Page 1, line 17, strike “separately”

Page 1, line 18, strike “through this subdivision, through subdivision 14, or”

Page 1, line 19, strike “other”

Page 1, line 19, strike “this”

Page 1, line 19, after "*chapter*" insert "462A"

Page 1, line 22, after the period insert "*Rules to implement this section may be promulgated as emergency rules pursuant to chapter 15.*"

Page 2, line 3, strike "*making of grants and the*"

Page 2, line 20, strike "*metropolitan area*" and insert "*urban*"

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

Mr. Coleman from the Subcommittee on Bill Scheduling, to which were referred S. F. Nos. 1647, 318, 1229, 1431, 1573, 1398, 1611, 1622, 1212, 1603, 1698, 1684, 1779, 793, 1621, 1137 and H. F. Nos. 1095, 1930, 85 makes the following report:

That S. F. Nos. 1647, 318, 1229, 1431, 1573, 1398, 1611, 1622, 1212, 1603, 1698, 1684, 1779, 793, 1621, 1137 and H. F. Nos. 1095, 1930, 85 be placed on the General Orders Calendar in the order indicated.

That there were no other bills before the Subcommittee on which floor action was requested. Report adopted.

APPOINTMENTS

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

S. F. No. 823: Messrs. Davies, Strand and Jensen.

Mr. Coleman moved that the foregoing appointments be approved. The motion prevailed.

SECOND READING OF SENATE BILLS

S. F. Nos. 1959 and 1699 were read the second time.

S. F. Nos. 1955, 1643, 1789, 1886, 1842, 1428, 1787, 1693, 1752 and 1888 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS

Mr. Coleman moved that the name of Mr. Milton be stricken as chief author and Mr. Hanson be added as chief author to S. F. No. 740. The motion prevailed.

Mr. Sikorski moved that the name of Mr. Keefe, J. be added as co-author to S. F. No. 1644. The motion prevailed.

Mr. Moe moved that the name of Mr. Dunn be added as co-author to S. F. No. 1663. The motion prevailed.

Mr. Olhoft moved that the name of Mr. Peterson be added as co-author to S. F. No. 1795. The motion prevailed.

Mr. Kleinbaum moved that the names of Messrs. Borden and Penny be added as co-authors to S. F. No. 1999. The motion prevailed.

Mr. Kleinbaum moved that the name of Mr. Frederick be added as co-author to S. F. No. 2054. The motion prevailed.

Mr. Johnson moved that the name of Mr. Lessard be added as co-author to S. F. No. 2065. The motion prevailed.

Mr. Sillers moved that the name of Mr. Hanson be added as co-author to S. F. No. 2084. The motion prevailed.

Mr. Solon moved that the name of Mr. Laufenburger be added as co-author to S. F. No. 1877. The motion prevailed.

Mr. Laufenburger moved that the name of Mrs. Staples be added as co-author to S. F. No. 373. The motion prevailed.

Mr. Laufenburger moved that his name be stricken as chief-author and Mr. Keefe, S. be added as chief-author to S. F. No. 373. The motion prevailed.

Mrs. Brataas moved that her name be stricken as co-author to S. F. No. 1006. The motion prevailed.

Mr. Johnson moved that the name of Mr. Lessard be added as co-author to S. F. No. 1993. The motion prevailed.

Mr. Dieterich moved that his name be stricken as chief author and Mr. Hanson be added as chief-author to S. F. No. 1176. The motion prevailed.

Without objection, the Senate reverted to the Order of Business of Introduction and First Reading of Senate Bills.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Olson, Olhoft, Menning, Vega and Renneke introduced—

S. F. No. 2189: A bill for an act relating to health and welfare; Title XX funds for social services; establishing a formula for allocating Title XX funds to counties.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Schaaf introduced—

S. F. No. 2190: A bill for an act relating to corporations; permitting employee contribution funds for political purposes; amending Minnesota Statutes 1976, Section 210A.34, by adding a subdivision.

Referred to the Committee on Elections.

Messrs. Schaaf, McCutcheon, Borden and Stokowski introduced—

S. F. No. 2191: A bill for an act relating to metropolitan government; providing that the regional crime control advisory council for the metropolitan area shall prepare and adopt a regional criminal justice plan; amending Minnesota Statutes, 1977 Supplement, Section 299A.03, Subdivisions 13 and 14.

Referred to the Committee on Governmental Operations.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Hughes moved that the report from the Committee on Education, reported May 13, 1977, pertaining to appointments, be taken from the table. The motion prevailed.

CONFIRMATION

Mr. Hughes moved that in accordance with the report from the Committee on Education, reported May 13, 1977, the Senate, having given its advice, do now consent to and confirm the appointment of:

STATE UNIVERSITY BOARD

Jean Farrand, 1900 Tenth Avenue South, Minneapolis, Hennepin County, effective April 28, 1977, for a term expiring the first Monday in January, 1979.

The motion prevailed. So the appointment was confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Wegener moved that the report from the Committee on Local Government, reported February 9, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Wegener moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Wegener moved that in accordance with the report from the Committee on Local Government, reported February 9, 1978, the Senate, having given its advice, do now consent to and confirm the appointment of:

MINNESOTA MUNICIPAL BOARD

Robert Johnson, 465 Rice Street, Anoka, Anoka County, effective September 30, 1977, for a term expiring September 30, 1983.

The motion prevailed. So the appointment was confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Perpich moved that the report from the Committee on Health, Welfare and Corrections, reported February 9, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Perpich moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Perpich moved that in accordance with the report from the Committee on Health, Welfare and Corrections, reported February 9, 1978, the Senate, having given its advice, do now consent to and confirm the appointments of:

MINNESOTA CORRECTIONS BOARD

Richard F. Alstad, 305 Channel Road, Albert Lea, Freeborn County, effective July 1, 1977, for a term expiring the first Monday in January, 1978.

Mrs. Dorothy Skwiera, 2301 N.E. Third Street, Minneapolis, Hennepin County, effective January 1, 1976, for a term expiring the first Monday in January, 1982.

CRIME CONTROL PLANNING BOARD

John Sonsteng, Rural Route 3, Cannon Falls, Goodhue County, effective July 29, 1977, for a term expiring the first Monday in January, 1981.

Carol Lemcke, 124 Swiss Street, Mankato, Blue Earth County, effective July 29, 1977, for a term expiring January 1, 1979.

Gerald Benjamin, Jackson, Jackson County, effective July 29, 1977, for a term expiring January 1, 1978.

John D. Wunsch, 403 West 47th Street, Minneapolis, Hennepin County, effective July 29, 1977, for a term expiring January 1, 1980.

Felipe Z. Ramirez, 6003 Lower 131st Street Court, Apple Valley, Dakota County, effective July 29, 1977, for a term expiring January 1, 1981.

Thomas Motherway, 3302 Third Avenue West, Hibbing, St. Louis County, effective July 29, 1977, for a term expiring January 1, 1980.

Frederick D. McDougall, Sr., 1014 21st Street, Bemidji, Beltrami County, effective July 29, 1977, for a term expiring January 1, 1978.

Jimmy Evans, 215 Oak Street, Minneapolis, Hennepin County, effective July 29, 1977, for a term expiring January 1, 1978.

Ruth Cain, 1122 Douglas, Alexandria, Douglas County, effective July 29, 1977, for a term expiring January 1, 1980.

Lise Schmidt, 210 Third Street South, St. Cloud, Stearns County, effective July 29, 1977, for a term expiring January 1, 1979.

Rosemary Ahmann, 521 Fourteenth Avenue S.W., Rochester, Olmsted County, effective July 29, 1977, for a term expiring January 1, 1981.

The motion prevailed. So the appointments were confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Willet moved that the report from the Committee on Agriculture and Natural Resources, reported February 13, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Willet moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Willet moved that in accordance with the report from the Committee on Agriculture and Natural Resources, reported February 13, 1978, the Senate, having given its advice, do now consent to and confirm the appointment of:

MINNESOTA POLLUTION CONTROL AGENCY

Burton Genis, 5941 29th Place North, Crystal, Hennepin County, effective January 2, 1978, for a term expiring the first Monday in January, 1982.

The motion prevailed. So the appointment was confirmed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to take up the Order of Business of Third Reading of Senate Bills and Third Reading of House Bills. The motion prevailed.

THIRD READING OF SENATE BILLS

S. F. No. 910: A bill for an act relating to local government; amending powers and duties of the Minnesota municipal board; regulating the incorporation, annexation, detachment, consolidation and boundary adjustments of certain local governmental units; amending Minnesota Statutes 1976, Sections 414.01, Subdivisions 1, 2, 5, 7a, 8, 12, 14, and 15; 414.011, Subdivision 5, and

by adding subdivisions; 414.02; 414.031; 414.033, Subdivisions 1, 2, 3, 5, 6, 7, and by adding a subdivision; 414.041; 414.06; 414.061, Subdivisions 1 and 4; 414.065; 414.067; 414.07; 414.09; and Chapter 414, by adding sections; repealing Minnesota Statutes 1976, Sections 414.021; 414.032; 414.033, Subdivision 4; 414.034; and 414.068.

With the unanimous consent of the Senate, Mr. Wegener moved to amend S. F. No. 910 as follows:

Page 4, line 8, after "If" insert "*commissioners from the unaffected districts are*"

The motion prevailed. So the amendment was adopted.

S. F. No. 910 was read the third time, as amended, and placed on its final passage.

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

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

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Peterson	Stokowski
Ashbach	Gearty	Laufenburger	Pillsbury	Strand
Bang	Gunderson	Lewis	Purfeerst	Stumpf
Bernhagen	Hanson	Luther	Renneke	Tennessen
Borden	Hughes	Menning	Schmitz	Ueland, A.
Brataas	Humphrey	Nelson	Schrom	Ulland, J.
Chmielewski	Jensen	Nichols	Setzepfandt	Vega
Coleman	Keefe, J.	Ogdahl	Sieloff	Wegener
Davies	Keefe, S.	Olhoft	Sikorski	Willet
Dieterich	Kleinbaum	Olson	Solon	
Dunn	Knaak	Penny	Spear	
Engler	Knoll	Perpich	Staples	

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

S. F. No. 1282: A bill for an act relating to public health; authorizing school superintendents appointed to county nursing committees to designate certain other persons to serve in their place; amending Minnesota Statutes 1976, Section 145.12.

With the unanimous consent of the Senate, Mr. Laufenburger moved to amend S. F. No. 1282 as follows:

Page 1, lines 21 and 22, strike "The county superintendent of schools if there be one, otherwise"

Page 1, line 22, after "appoint one" insert "*member*"

The motion prevailed. So the amendment was adopted.

S. F. No. 1282 was read the third time, as amended, and placed on its final passage.

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

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

Those who voted in the affirmative were:

Anderson	Engler	Knoll	Peterson	Stokowski
Ashbach	Frederick	Knutson	Pillsbury	Strand
Bang	Gearty	Laufenburger	Purfeerst	Stumpf
Benedict	Gunderson	Lewis	Renneke	Tennessee
Bernhagen	Hanson	Luther	Schaaf	Ueland, A.
Borden	Hughes	Menning	Schmitz	Ulland, J.
Brataas	Humphrey	Nelson	Schrom	Vega
Chmielewski	Jensen	Ogdahl	Sieloff	Wegener
Coleman	Keefe, J.	Olhoff	Sikorski	Willet
Davies	Keefe, S.	Olson	Solon	
Dieterich	Kleinbaum	Penny	Spear	
Dunn	Knaak	Perpich	Staples	

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

S. F. No. 1285: A bill for an act relating to local government; setting a time limit for local improvements; amending Minnesota Statutes 1976, Sections 429.021, Subdivision 3; 429.041, Subdivision 1; and Chapter 435, by adding a section.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Engler	Knutson	Peterson	Staples
Ashbach	Frederick	Laufenburger	Pillsbury	Stokowski
Bang	Gearty	Lewis	Purfeerst	Strand
Benedict	Gunderson	Luther	Renneke	Stumpf
Bernhagen	Hanson	Menning	Schaaf	Tennessee
Borden	Hughes	Nelson	Schmitz	Ueland, A.
Brataas	Jensen	Nichols	Schrom	Ulland, J.
Chmielewski	Keefe, J.	Ogdahl	Setzepfandt	Vega
Coleman	Keefe, S.	Olhoff	Sieloff	Wegener
Davies	Kleinbaum	Olson	Sikorski	Willet
Dieterich	Knaak	Penny	Solon	
Dunn	Knoll	Perpich	Spear	

So the bill passed and its title was agreed to.

S. F. No. 1602: A bill for an act relating to nonprofit corporations; concerning corporations for dependent children; regarding reimbursement for adoption services expenses; amending Minnesota Statutes 1976, Section 317.65, 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 58 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Borden	Dieterich	Gunderson	Keefe, S.
Ashbach	Brataas	Dunn	Hanson	Kleinbaum
Bang	Chmielewski	Engler	Hughes	Knaak
Benedict	Coleman	Frederick	Jensen	Knoll
Bernhagen	Davies	Gearty	Keefe, J.	Knutson

Laufenburger	Olhoff	Renneke	Solon	Ueland, A.
Lewis	Olson	Schaaf	Spear	Ulland, J.
Luther	Penny	Schmitz	Staples	Vega
Menning	Perpich	Setzepfandt	Stokowski	Wegener
Nelson	Peterson	Sieloff	Strand	Willet
Nichols	Pillsbury	Sikorski	Stumpf	
Ogdahl	Purfeerst	Sillers	Tennessen	

So the bill passed and its title was agreed to.

THIRD READING OF HOUSE BILLS

H. F. No. 1792: A bill for an act relating to the Lincoln-Pipestone and Rock county rural water systems; providing for the assessment of costs.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Engler	Knutson	Peterson	Spear
Ashbach	Frederick	Laufenburger	Pillsbury	Staples
Bang	Gearty	Lewis	Purfeerst	Stokowski
Benedict	Gunderson	Luther	Renneke	Strand
Bernhagen	Hanson	Menning	Schaaf	Stumpf
Borden	Hughes	Nelson	Schmitz	Tennessen
Brataas	Jensen	Nichols	Schrom	Ulland, J.
Chmielewski	Keefe, J.	Ogdahl	Setzepfandt	Vega
Coleman	Keefe, S.	Olhoff	Sieloff	Wegener
Davies	Kleinbaum	Olson	Sikorski	Willet
Dieterich	Knaak	Penny	Sillers	
Dunn	Knoll	Perpich	Solon	

So the bill passed and its title was agreed to.

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to take up the Consent Calendar. The motion prevailed.

CONSENT CALENDAR

S. F. No. 1627: A bill for an act relating to Minnesota Statutes; words and phrases; including Commonwealth of Puerto Rico within the definition of state; amending Minnesota Statutes 1976, Section 645.44, Subdivision 11.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Chmielewski	Frederick	Keefe, J.	Laufenburger
Ashbach	Coleman	Gearty	Keefe, S.	Lewis
Bang	Davies	Gunderson	Kleinbaum	Luther
Benedict	Dieterich	Hanson	Knaak	Menning
Bernhagen	Dunn	Hughes	Knoll	Nelson
Brataas	Engler	Jensen	Knutson	Nichols

Ogdahl	Pillsbury	Setzepfandt	Staples	Vega
Olhoff	Purfeerst	Sieloff	Stokowski	Wegener
Olson	Renneke	Sikorski	Strand	Willet
Penny	Schaaf	Sillers	Stumpf	
Perpich	Schmitz	Solon	Tennessen	
Peterson	Schrom	Spear	Ulland, J.	

So the bill passed and its title was agreed to.

S. F. No. 1802: A bill for an act relating to drivers' licenses; providing that a Class C license is valid for operation of the rear portion of a midmount aerial ladder truck; amending Minnesota Statutes 1976, Section 171.02, Subdivision 2.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Gearty	Lewis	Purfeerst	Stokowski
Ashbach	Gunderson	Luther	Renneke	Strand
Bang	Hanson	Menning	Schaaf	Stumpf
Benedict	Hughes	Nelson	Schmitz	Tennessen
Bernhagen	Jensen	Nichols	Schrom	Ulland, J.
Brataas	Keefe, J.	Ogdahl	Setzepfandt	Vega
Chmielewski	Keefe, S.	Olhoff	Sieloff	Wegener
Coleman	Kleinbaum	Olson	Sikorski	Willet
Dieterich	Knaak	Penny	Sillers	
Dunn	Knoll	Perpich	Solon	
Engler	Knutson	Peterson	Spear	
Frederick	Laufenburger	Pillsbury	Staples	

So the bill passed and its title was agreed to.

H. F. No. 1761: A bill for an act relating to the state; authorizing the sale of certain state lands to, and the development of that land for industrial purposes or purposes which the city deems compatible with adjacent land by, the city of Owatonna; amending Laws 1965, Chapter 216, Section 2, as amended.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Gearty	Lewis	Purfeerst	Strand
Ashbach	Gunderson	Luther	Renneke	Stumpf
Bang	Hanson	Menning	Schmitz	Tennessen
Benedict	Hughes	Nelson	Schrom	Ueland, A.
Bernhagen	Jensen	Nichols	Setzepfandt	Ulland, J.
Brataas	Keefe, J.	Ogdahl	Sieloff	Vega
Chmielewski	Keefe, S.	Olhoff	Sikorski	Wegener
Davies	Kleinbaum	Olson	Sillers	Willet
Dieterich	Knaak	Penny	Solon	
Dunn	Knoll	Perpich	Spear	
Engler	Knutson	Peterson	Staples	
Frederick	Laufenburger	Pillsbury	Stokowski	

So the bill passed and its title was agreed to.

H. F. No. 1065: A bill for an act relating to St. Louis county; changing the fees for tax search certificate; amending Laws 1955, Chapter 633, Section 1, Subdivision 2.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Engler	Knutson	Pillsbury	Stokowski
Ashbach	Frederick	Laufenburger	Purfeerst	Strand
Bang	Gearty	Lewis	Renneke	Stumpf
Benedict	Gunderson	Luther	Schmitz	Tennessee
Bernhagen	Hanson	Menning	Schrom	Ueland, A.
Borden	Hughes	Nelson	Setzepfandt	Ulland, J.
Brataas	Jensen	Nichols	Sieloff	Vega
Chmielewski	Keefe, J.	Ogdahl	Sikorski	Wegener
Coleman	Keefe, S.	Olhoft	Sillers	Willet
Davies	Kleinbaum	Penny	Solon	
Dieterich	Knaak	Perpich	Spear	
Dunn	Knoll	Peterson	Staples	

So the bill passed and its title was agreed to.

H. F. No. 145: A bill for an act relating to highways; requiring a hearing by a county board prior to the adoption of a resolution revoking a county highway that would revert to a town; amending Minnesota Statutes 1976, Section 163.11, 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 57 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Laufenburger	Pillsbury	Stokowski
Ashbach	Frederick	Lewis	Purfeerst	Strand
Bang	Gearty	Luther	Renneke	Stumpf
Benedict	Gunderson	Menning	Schmitz	Tennessee
Bernhagen	Hanson	Nelson	Schrom	Ueland, A.
Borden	Hughes	Nichols	Setzepfandt	Ulland, J.
Brataas	Jensen	Ogdahl	Sieloff	Vega
Chmielewski	Keefe, J.	Olhoft	Sikorski	Wegener
Coleman	Keefe, S.	Olson	Sillers	Willet
Davies	Kleinbaum	Penny	Solon	
Dieterich	Knaak	Perpich	Spear	
Dunn	Knutson	Peterson	Staples	

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Keefe, S. moved that H. F. No. 404 be taken from the table. The motion prevailed.

SUSPENSION OF RULES

Mr. Keefe, S. 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. 404 and that the rules of the Senate be so far suspended as to give H. F. No. 404 its second and third reading and place it on its final passage. The motion prevailed.

H. F. No. 404 was read the second time.

H. F. No. 404: A bill for an act relating to ethics in government; amending provisions concerning ethical practices board procedures, lobbyist activities and registration, economic interest disclosure, campaign finance disclosure, limitations on political contributions and expenditures and distribution of money from the state elections campaign fund; imposing late filing fees and other penalties; appropriating money; amending Minnesota Statutes 1976, Chapter 10A, by adding a section; and Sections 10A.01, Subdivisions 2, 5, 7, 9, 10, 13, 18, and by adding subdivisions; 10A.02, Subdivisions 4 and 11, and by adding a subdivision; 10A.03, Subdivision 1, and by adding a subdivision; 10A.04, Subdivisions 2 and 5; 10A.08; 10A.09, Subdivisions 5, 6 and 7; 10A.10; 10A.11, Subdivision 6; 10A.12, Subdivisions 4 and 5; 10A.13; 10A.14, Subdivisions 1, 2 and 4; 10A.15, Subdivisions 2 and 3; 10A.17, Subdivisions 2 and 5; 10A.19, Subdivision 1; 10A.20, Subdivisions 2, 3, 4, 6, 8 and 12, and by adding a subdivision; 10A.21, Subdivisions 1 and 3; 10A.22, Subdivision 7, and by adding a subdivision; 10A.24; 10A.25, Subdivisions 1, 2, 3, 5, 6 and 7, and by adding subdivisions; 10A.26; 10A.27, Subdivisions 1, 2, and 4, and by adding subdivisions; 10A.28; 10A.29; 10A.30, Subdivision 1; 10A.31, Subdivisions 1, 3, 3a, 4, 5, and 6, and by adding a subdivision; 10A.32, Subdivisions 1, 2, 3, 3a and 4, and by adding subdivisions; 10A.33; 10A.34 by adding a subdivision; 290.06, Subdivision 11; and 290.21, by adding a subdivision; Minnesota Statutes, 1977 Supplement, Section 10A.20, Subdivision 10; and repealing Minnesota Statutes 1976, Sections 10A.09, Subdivision 4; 10A.20, Subdivision 9; 10A.25, Subdivisions 4 and 8; and 10A.27, Subdivision 3.

Mr. Keefe, S. moved to amend H. F. No. 404 as follows:

Strike all the language after the enacting clause of H. F. No. 404 and insert the language after the enacting clause of S. F. No. 1006 as contained in the report of the Committee on Elections reported January 24, 1978 and the Committee on Finance reported February 6, 1978; further, strike the title of H. F. No. 404 and insert the title of S. F. No. 1006.

The motion prevailed. So the amendment was adopted.

Mr. Keefe, S. moved to amend H. F. No. 404, as amended by the Senate February 16, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1006.)

Page 36, line 18, strike "*individuals*" and insert "*any individual eligible to vote in this state who is*"

Page 36, line 20, after the period, insert "Any individual who seeks to designate a payment by means of a simplified form shall complete the form and return it to the county auditor of the county in which he is registered to vote. Completion shall include notarization of the signature of the individual. If the auditor determines the individual is a registered voter who has not already submitted such a form he shall place his seal and signature on the form and return it to the commissioner of revenue."

The motion prevailed. So the amendment was adopted.

CALL OF THE SENATE

Mr. Ashbach imposed a call of the Senate for the balance of the proceedings on H. F. No. 404. The following Senators answered to their names:

Anderson	Gunderson	Knutson	Schmitz	Stumpf
Ashbach	Hanson	Lewis	Schrom	Tennessee
Benedict	Hughes	Luther	Setzepfandt	Ueland, A.
Bernhagen	Humphrey	Menning	Sieloff	Vega
Chmielewski	Jensen	Nelson	Sikorski	Wegener
Coleman	Johnson	Perpich	Sillers	Willet
Davies	Keefe, J.	Pillsbury	Spear	
Dieterich	Keefe, S.	Purfeerst	Staples	
Dunn	Kleinbaum	Renneke	Stokowski	
Frederick	Knaak	Schaaf	Strand	

The Sergeant at Arms was instructed to bring in the absent members.

Mr. Jensen moved to amend H. F. No. 404, as amended by the Senate February 16, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1006.)

Page 36, line 27, strike "The"

Page 36, strike lines 28 to 32

Page 37, strike lines 1 to 11

Page 37, line 20, strike ", 6"

Page 37, line 24, strike everything after "the"

Page 37, lines 25 to 26, strike all underlined language and insert "*state elections campaign fund*"

Page 38, lines 13 to 20, strike the underlined language

Page 38, strike lines 21 to 23

Page 38, line 24, strike "subdivision."

Page 38, line 24, strike "general account" and insert "*state elections campaign fund*"

Pages 39 and 40, strike Section 71 in its entirety and insert

"Sec. 71. Minnesota Statutes 1976, Section 10A.31, Subdivision 7, is amended to read:

Subd. 7. Within two weeks after certification by the state canvassing board of the results of the general election, the state treasurer shall distribute the available funds money in the general account ~~state elections campaign fund~~, as certified by the commissioner of revenue on November 15 and according to allocations set forth in subdivision 5, in equal amounts to all candidates for each statewide office who received at least five percent of the votes cast in the general election for that office, and to all candidates for legislative office ~~state senator in each senate district and for state representative in each representative district~~ who received at least ten percent of the votes cast in the general election for the specific office for which they were candidates.

Sec. 72. Minnesota Statutes 1976, Section 10A.31, Subdivision 9, is amended to read:

Subd. 9. Within one week after certification by the state canvassing board of the results of the general election, the board shall certify to the state treasurer the name of each candidate who is qualified to receive funds money from the general account ~~state elections campaign fund~~, together with the amount he is to receive from the available funds in the general account.

Sec. 73. Minnesota Statutes 1976, Section 10A.31, Subdivision 10, is amended to read:

Subd. 10. In the event that on November 15 less than 98 percent of the tax returns have been processed, the commissioner of revenue shall certify to the board on December 7 the amount accumulated in each account ~~the state elections campaign fund~~ since the previous certification. Within one week thereafter, the board shall certify to the state treasurer the amount to be distributed to each candidate according to the allocations as provided in subdivision 5. As soon as practicable thereafter, the state treasurer shall distribute the amounts to the candidates. Any moneys accumulated after the final certification shall be maintained in the respective accounts ~~state elections campaign fund~~ for distribution in the next general election year."

Page 40, line 18, strike "of the same party"

Page 42, line 9, strike everything after "be"

Page 42, line 10, strike everything before "the"

Page 42, line 11, strike "general"

Page 42, line 12, strike "account" and insert "*state elections campaign fund*"

Page 42, line 24, strike "in each account"

Page 42, lines 26 to 28, delete the underlined language

Page 42, line 30, after "address" strike the comma and insert "and"

Page 42, line 31, strike ", and party affiliation"

Page 43, line 7, strike "subdivisions 6 and" and insert "sub-division"

Page 43, strike Section 78 in its entirety

Page 47, line 24, strike the second "and"

Page 47, before "are" insert "10A.30, Subdivision 2, 10A.31, Subdivisions 2, 3a, 6 and 8, and 10A.32, Subdivision 4"

Renumber the sections in sequence

Correct the internal cross references

Amend the title as follows

Page 1, line 28, strike "3a,"

Page 1, line 28, strike "and 6" and insert "7, 9 and 10"

Page 1, line 30, before "3a" strike the comma and insert "and"

Page 1, line 30, strike "and 4"

Page 1, line 37, strike "and"

Page 1, line 37, before the period insert "; 10A.30, Subdivision 2; 10A.31, Subdivisions 2, 3a, 6 and 8; and 10A.32, Subdivision 4"

The question was taken on the adoption of the amendment.

Mr. Keefe, S. moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 18 and nays 36, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Keefe, J.	Pillsbury	Ueland, A.
Bang	Engler	Knaak	Renneke	Ulland, J.
Bernhagen	Frederick	Knutson	Sieloff	
Brataas	Jensen	Ogdahl	Sillers	

Those who voted in the negative were:

Anderson	Gunderson	Menning	Schrom	Tennessen
Benedict	Hanson	Moe	Setzepfandt	Vega
Borden	Johnson	Olhoff	Sikorski	Wegener
Chmielewski	Keefe, S.	Olson	Spear	Willet
Coleman	Kleinbaum	Penny	Staples	
Davies	Knoll	Purfeerst	Stokowski	
Dieterich	Laufenburger	Schaaf	Strand	
Gearty	Luther	Schmitz	Stumpf	

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

Mr. Jensen then moved to amend H. F. No. 404, as amended by the Senate February 16, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1006.)

Page 38, lines 13 to 20, strike the underlined language and insert "The money allocated to candidates for state senate and

state representative from the general account shall be distributed among the senate and representative districts in proportion to the money allocated to the general account by the taxpayers in each district."

Page 40, after line 3, insert

"Sec. 72. Minnesota Statutes 1976, Section 10A.31, Subdivision 7, is amended to read:

Subd. 7. Within two weeks after certification by the state canvassing board of the results of the general election, the state treasurer shall distribute the available funds in the general account, as certified by the commissioner of revenue on November 15 and according to allocations set forth in subdivision 5, in equal amounts to all candidates for each statewide office who received at least five percent of the votes cast in the general election for that office, and to all candidates for ~~legislative office~~ *state senator in each senate district and for state representative in each representative district* who received at least ten percent of the votes cast in the general election for the specific office for which they were candidates."

Renumber the remaining sections

Correct the internal cross references

Amend the title as follows:

Page 1, line 28, before "6" strike "and" and insert a comma

Page 1, line 28, after "6" insert "and 7"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 16 and nays 37, as follows:

Those who voted in the affirmative were:

Ashbach	Jensen	Knutson	Purfeerst	Sillers
Bernhagen	Keefe, J.	Ogdahl	Renneke	Ueland, A.
Engler	Knaak	Pillsbury	Sieloff	Ulland, J.
Frederick				

Those who voted in the negative were:

Anderson	Gunderson	Luther	Schaaf	Strand
Benedict	Hanson	Menning	Schmitz	Stumpf
Borden	Hughes	Moe	Schrom	Tennessee
Chmielewski	Johnson	Nelson	Setzepfandt	Vega
Coleman	Keefe, S.	Nichols	Sikorski	Willet
Davies	Kleinbaum	Olson	Solon	
Dieterich	Knoll	Penny	Spear	
Gearty	Laufenburger	Perpich	Stokowski	

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

Mr. Keefe, J. moved to amend H. F. No. 404, as amended by the Senate February 16, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1006).

Page 27, line 4, strike "62" and insert "63"

Page 29, after line 6, insert

"Sec. 52. Minnesota Statutes 1976, Section 10A.25, is amended by adding a subdivision to read:

Subd. 5a. The expenditure limit imposed by subdivision 2 shall be increased by ten percent for any candidate who is not an incumbent in the office to which he is seeking election and who has not been elected to public office during the four years before becoming a candidate, from a district including more than 40 percent of the population of the district from which he is a candidate."

Page 30, line 30, strike "79" and insert "80"

Page 46, line 18, strike "79" and insert "80"

Page 47, line 26, strike "80 and 81" and insert "83 and 84"

Renumber the remaining sections

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 42 and nays 13, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Knutson	Renneke	Strand
Ashbach	Gunderson	Luther	Schaaf	Stumpf
Benedict	Hanson	Menning	Schrom	Ueland, A.
Bernhagen	Hughes	Nichols	Setzepfandt	Ulland, J.
Borden	Jensen	Olson	Sieloff	Vega
Brataas	Keefe, J.	Penny	Sikorski	Wegener
Dunn	Keefe, S.	Peterson	Sillers	
Engler	Knaak	Pillsbury	Solon	
Frederick	Knoll	Purfeerst	Spear	

Those who voted in the negative were:

Chmielewski	Dieterich	Laufenburger	Perpich	Willet
Coleman	Johnson	Moe	Schmitz	
Davies	Kleinbaum	Nelson	Tennessee	

The motion prevailed. So the amendment was adopted.

Mrs. Brataas moved to amend H. F. No. 404, as amended by the Senate February 16, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1006.)

Page 30, line 28, strike "(a)"

Page 30, line 30, strike "or (b) pursuant to section 79," and insert a period

Page 30, strike lines 31 and 32

Pages 43 to 45, strike section 79 in its entirety

Page 46, lines 14 to 18, strike the underlined language

Page 46, strike section 83 in its entirety

Page 47, line 12, strike "Subdivision 1."

Page 47, strike lines 16 to 21

Page 47, line 26, strike "Sections 80" and insert "Section 79"

Page 47, line 26, strike "and 81 are" and insert "is"

Page 47, line 28, strike everything after "1977"

Page 47, strike line 29

Page 47, line 30, strike "date of this act"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 30, strike "subdivisions" and insert "a subdivision"

Page 1, line 31, before "290.06" insert "and"

Page 1, line 32, strike "and 290.21, by adding a"

Page 1, line 33, strike "subdivision;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 21 and nays 37, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Knaak	Schrom	Ulland, J.
Bang	Engler	Knutson	Sieloff	
Bernhagen	Frederick	Ogdahl	Sillers	
Brataas	Jensen	Pillsbury	Tennessee	
Davies	Keefe, J.	Renneke	Ueland, A.	

Those who voted in the negative were:

Anderson	Hughes	McCutcheon	Purfeerst	Strand
Benedict	Humphrey	Menning	Schaaf	Stumpf
Chmielewski	Johnson	Moe	Schmitz	Vega
Coleman	Keefe, S.	Nelson	Setzepfandt	Wegener
Dieterich	Kleinbaum	Olson	Sikorski	Willet
Gearly	Knoll	Penny	Solon	
Gunderson	Laufenburger	Perpich	Spear	
Hanson	Luther	Peterson	Stokowski	

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

Mr. Frederick moved to amend H. F. No. 404, as amended by the Senate February 16, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1006.)

Page 36, line 13, before the period insert "or that he may credit an additional \$1 against any tax liability or receive \$1 in addition to any tax refund to which he is otherwise entitled"

Page 36, line 27, before the period insert "or to claim an addi-

tional \$1 against any tax liability or receive \$1 in addition to any tax refund to which he is otherwise entitled"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 19 and nays 35, as follows:

Those who voted in the affirmative were:

Ashbach	Chmielewski	Jensen	Ogdahl	Sieloff
Bang	Dunn	Keefe, J.	Pillsbury	Ueland, A.
Bernhagen	Engler	Knaak	Renneke	Ulland, J.
Brataas	Frederick	Knutson	Schrom	

Those who voted in the negative were:

Anderson	Gunderson	Luther	Perpich	Spear
Benedict	Hanson	McCutcheon	Peterson	Stokowski
Borden	Humphrey	Menning	Purfeerst	Strand
Coleman	Johnson	Moe	Schaaf	Stumpf
Davies	Keefe, S.	Nelson	Schmitz	Tennessee
Dieterich	Kleinbaum	Olson	Setzepfandt	Vega
Gearty	Laufenburger	Penny	Sikorski	Willet

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

Mr. Dunn moved to amend H. F. No. 404, as amended by the Senate February 16, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1006.)

Page 17, line 2, after "organizations" strike the comma and insert "and"

Page 17, line 3, strike "and legislative caucuses"

Page 32, line 28, before the period insert ", but shall not include any legislative caucus of any party"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 20 and nays 35, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Jensen	Ogdahl	Renneke
Bang	Dunn	Keefe, J.	Penny	Sillers
Bernhagen	Engler	Knaak	Pillsbury	Ueland, A.
Brataas	Frederick	Knutson	Purfeerst	Ulland, J.

Those who voted in the negative were:

Anderson	Hanson	Luther	Perpich	Spear
Benedict	Humphrey	McCutcheon	Peterson	Stokowski
Chmielewski	Johnson	Menning	Schaaf	Strand
Coleman	Keefe, S.	Moe	Schmitz	Stumpf
Davies	Kleinbaum	Nelson	Schrom	Tennessee
Gearty	Knoll	Nichols	Setzepfandt	Vega
Gunderson	Laufenburger	Olson	Sikorski	Willet

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

Mr. Luther moved to amend H. F. No. 404, as amended by the Senate February 16, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1006.)

Page 11, after line 20, insert:

"Sec. 17. Minnesota Statutes 1976, Section 10A.04, is amended by adding a subdivision to read:

Subd. 4b. Any individual or association that pays compensation or fees for the personal services of one or more lobbyists in an aggregate amount in excess of \$1,000 in any calendar year shall report the total amount paid for the personal services of lobbyists in that year. The report shall not contain the names of any individual engaged as a lobbyist by the reporting individual or association. The report shall be filed no later than March 1 following the year the compensation or fees were paid."

Page 11, line 24, strike "who" and insert ", individual or association that"

Page 11, line 27, after "lobbyist" insert ", individual or association"

Page 11, line 32, strike "who" and insert ", individual or association that"

Page 12, line 1, after "lobbyist" insert ", individual or association"

Page 12, line 3, strike "who" and insert ", individual or association that"

Page 27, line 4, strike "62" and insert "64"

Page 30, line 30, strike "79" and insert "81"

Page 46, line 18, strike "79" and insert "81"

Page 47, line 26, strike "80 and 81" and insert "84 and 85"

Renumber the sections in sequence

Amend the title as follows:

Line 16, after "and 5" insert ", and by adding a subdivision"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 34 and nays 18, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Knaak	Purfeerst	Strand
Bang	Frederick	Knoll	Renneke	Stumpf
Benedict	Gunderson	Knutson	Schaaf	Ueland, A.
Bernhagen	Humphrey	Luther	Setzepfandt	Ulland, J.
Brataas	Johnson	Menning	Sikorski	Vega
Chmielewski	Keefe, S.	Nelson	Solon	Willet
Dieterich	Keefe, J.	Peterson	Spear	

Those who voted in the negative were:

Coleman	Hanson	Moe	Pillsbury	Tennessee
Davies	Kleinbaum	Nichols	Schmitz	Wegener
Engler	Laufenburger	Olson	Sillers	
Gearty	McCutcheon	Perpich	Stokowski	

The motion prevailed. So the amendment was adopted.

Mr. Pillsbury moved to amend H. F. No. 404, as amended by the Senate February 16, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1006.)

Page 31, line 26, strike everything after "jointly"

Page 31, strike lines 27 to 32

Page 32, strike lines 1 to 4 and insert

"or to a candidate for attorney general, secretary of state, state auditor or state treasurer, \$1,000 in any year;

(b) To a candidate for state senator or state representative, \$200 in any year; and

(c) To a political party, \$3,000 in any year."

Page 32, line 12, restore the stricken language and strike "five"

Page 32, line 13, strike "times" and restore the stricken language

Page 32, line 14, strike the new language

Page 32, line 15, restore the stricken language and strike the new language

The question was taken on the adoption of the amendment.

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

The roll was called, and there were yeas 21 and nays 33, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Knaak	Pillsbury	Willet
Bang	Engler	Knutson	Renneke	
Bernhagen	Frederick	McCutcheon	Sillers	
Brataas	Jensen	Ogdahl	Ueland, A.	
Chmielewski	Keefe, J.	Perpich	Ulland, J.	

Those who voted in the negative were:

Anderson	Hughes	Menning	Schmitz	Strand
Benedict	Humphrey	Moe	Schrom	Stumpf
Coleman	Johnson	Nichols	Setzepfandt	Tennessee
Dieterich	Keefe, S.	Penny	Sikorski	Vega
Gearty	Kleinbaum	Peterson	Solon	Wegener
Gunderson	Laufenburger	Purfeerst	Spear	
Hanson	Luther	Schaaf	Stokowski	

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

Mr. Ulland, J. moved to amend H. F. No. 404, as amended by the Senate February 16, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1006.)

Page 8, after line 13, insert

"Sec. 12. Minnesota Statutes 1976, Section 10A.02, Subdivision 8, is amended to read:

Subd. 8. The board shall: (a) Report at the close of each fiscal year to the legislature, the governor and the public concerning the action it has taken, the names, salaries, and duties of all individuals in its employ and the money it has disbursed. The board shall include and identify in its report any other reports it has made during the fiscal year. It may indicate apparent abuses and offer legislative recommendations;

(b) Prescribe forms for statements and reports required to be filed under sections 10A.01 to 10A.34 and make the forms available to persons required to file them;

(c) Make available to the persons required to file the reports and statements a manual setting forth the recommended uniform methods of bookkeeping and reporting;

(d) Develop a filing, coding and cross-indexing system consistent with the purposes of sections 10A.01 to 10A.34;

(e) Make the reports and statements filed with it available for public inspection and copying by the end of the second day following the day on which they were received. Any person may copy a report or statement by hand or by duplicating machine and the board shall provide duplicating services at cost for this purpose. No information copied from reports and statements shall be sold or utilized by any person for any commercial purpose;

(f) Notwithstanding the provisions of section 138.163, preserve reports and statements for a period of five years from the date of receipt;

(g) Compile and , maintain and *publish* a current list and summary of all statements or parts of statements pertaining to each candidate; and

(h) Prepare and publish reports as it may deem appropriate."

Renumber the sections in sequence

Page 27, line 4, strike "62" and insert "65"

Page 30, line 30, strike "79" and insert "82"

Page 46, line 18, strike "79" and insert "82"

Page 47, line 26, strike "80 and 81" and insert "85 and 86"

Amend the title as follows:

Line 13, after "4" insert ", 8"

The motion prevailed. So the amendment was adopted.

Mr. Dieterich moved to amend H. F. No. 404, as amended by the Senate February 16, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1006.)

Page 32, after line 15, insert:

“Sec. 59. Minnesota Statutes 1976, Section 10A.27, is amended by adding a subdivision to read:

Subd. 2b. No principal campaign committee of a candidate who accepts money from the state elections campaign fund pursuant to section 10A.32 shall make any contribution or transfer, in the year such money is received, to the principal campaign committee of any other candidate.”

Renumber the remaining sections

Correct the internal cross-references

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 26 and nays 31, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Knoll	Penny	Ueland, A.
Bang	Engler	Knutson	Pillsbury	Ulland, J.
Benedict	Frederick	Luther	Renneke	
Bernhagen	Jensen	Merriam	Sillers	
Brataas	Keefe, J.	Nelson	Spear	
Dieterich	Knaak	Ogdahl	Stumpf	

Those who voted in the negative were:

Borden	Hughes	Menning	Schaaf	Vega
Chmielewski	Humphrey	Moe	Schmitz	Wegener
Coleman	Johnson	Nichols	Setzepfandt	Willet
Davies	Keefe, S.	Olson	Solon	
Gearty	Kleinbaum	Perpich	Stokowski	
Gunderson	Laufenburger	Peterson	Strand	
Hanson	McCutcheon	Purfeerst	Tennessee	

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

Mr. Jensen moved to amend H. F. No. 404, as amended by the Senate February 16, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1006.)

Page 22, after line 4, insert:

“(k) With respect to any expenditure which is not made for the purpose influencing the nomination for election or election of any candidate to office, the name and address of each person to whom such an expenditure was made by the political committee or political fund within the year in an aggregate amount in excess of \$100, together with the amount, date and purpose of the expenditure;”

Page 22, line 5, strike "(k)" and insert "(l)"

Page 22, line 8, strike "(l)" and insert "(m)"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 53 and nays 4, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Kleinbaum	Penny	Spear
Ashbach	Frederick	Knaak	Peterson	Stokowski
Bang	Gerty	Knoll	Pillsbury	Strand
Benedict	Gunderson	Knutson	Purfeerst	Stumpf
Bernhagen	Hanson	Laufenburger	Renneke	Tennessen
Brataas	Hughes	Luther	Schaaf	Ueland, A.
Chmielewski	Humphrey	McCutcheon	Schmitz	Ulland, J.
Coleman	Jensen	Menning	Schrom	Vega
Davies	Johnson	Nelson	Setzepfandt	Willet
Dieterich	Keefe, J.	Ogdahl	Sillers	
Dunn	Keefe, S.	Olson	Solon	

Messrs. Merriam, Nichols, Perpich, and Wegener voted in the negative.

The motion prevailed. So the amendment was adopted.

Mr. Dunn moved to amend H. F. No. 404, as amended by the Senate February 16, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1006.)

Page 17, line 2, after "organizations" strike the comma and insert "and"

Page 17, line 3, strike "and legislative caucuses"

Page 32, line 12, strike "five"

Page 32, line 13, strike "times"

Page 32, line 28, before the period insert ", but shall not include any legislative caucus of any party"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 16 and nays 39, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Knaak	Menning	Renneke
Bang	Engler	Knutson	Penny	Sillers
Bernhagen	Frederick	Luther	Perpich	Ueland, A.
Brataas				

Those who voted in the negative were:

Anderson	Hanson	Laufenburger	Purfeerst	Strand
Benedict	Hughes	McCutcheon	Schaaf	Stumpf
Chmielewski	Humphrey	Merriam	Schmitz	Tennessee
Coleman	Johnson	Moe	Schrom	Ulland, J.
Davies	Keefe, J.	Nelson	Setzepfandt	Vega
Dieterich	Keefe, S.	Nichols	Solon	Wegener
Gearty	Kleinbaum	Olson	Spear	Willet
Gunderson	Knoll	Peterson	Stokowski	

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

H. F. No. 404 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 44 and nays 17, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	McCutcheon	Perpich	Spear
Benedict	Hughes	Menning	Peterson	Stokowski
Borden	Humphrey	Merriam	Purfeerst	Strand
Chmielewski	Johnson	Moe	Schaaf	Stumpf
Coleman	Keefe, S.	Nelson	Schmitz	Tennessee
Davies	Kleinbaum	Nichols	Schrom	Vega
Dieterich	Knoll	Olhoft	Setzepfandt	Wegener
Gearty	Laufenburger	Olson	Sikorski	Willet
Gunderson	Luther	Penny	Solon	

Those who voted in the negative were:

Ashbach	Dunn	Keefe, J.	Pillsbury	Ulland, J.
Bang	Engler	Knaak	Renneke	
Bernhagen	Frederick	Knutson	Sillers	
Brataas	Jensen	Ogdahl	Ueland, A.	

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

Without objection, the Senate reverted to the Order of Business of Introduction and First Reading of Senate Bills.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Chmielewski, Olson, Penny, Schmitz and Renneke introduced—

S. F. No. 2192: A bill for an act relating to transportation; providing for the expenditure of certain portions of the county turnback account on town road bridge structures; prohibiting funds for such expenditures to be declared surplus funds; amending Minnesota Statutes 1976, Sections 161.082, Subdivision 2a; and 161.084.

Referred to the Committee on Transportation.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Johnson moved that S. F. No. 1984 be withdrawn from

the Committee on Local Government and returned to its author. The motion prevailed.

Mr. Keefe, S. moved that S. F. No. 1006, No. 4 on General Orders, be indefinitely postponed. The motion prevailed.

MEMBERS EXCUSED

Messrs. Chenoweth and Kirchner were excused from the Session of today. Messrs. Lewis, Olhoft and Mrs. Staples were excused from the Session of today from 11:30 a.m. to 1:30 o'clock p.m.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 10:00 o'clock a.m., Monday, February 20, 1978. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SEVENTY-FOURTH DAY

St. Paul, Minnesota, Monday, February 20, 1978

The Senate met at 10:00 o'clock a.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. Curtis A. Herron.

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

Anderson	Engler	Knoll	Olhoff	Sillers
Ashbach	Frederick	Knutson	Olson	Solon
Bang	Gearty	Laufenburger	Penny	Spear
Benedict	Gunderson	Lessard	Perpich	Staples
Bernhagen	Hanson	Lewis	Peterson	Stokowski
Borden	Hughes	Luther	Pillsbury	Strand
Brataas	Jensen	McCutcheon	Purfeerst	Stumpf
Chenoweth	Johnson	Menning	Renneke	Tennessee
Chmielewski	Keefe, J.	Merriam	Schmitz	Ueland, A.
Coleman	Keefe, S.	Moe	Schrom	Ulland, J.
Davies	Kirchner	Nelson	Setzepfandt	Vega
Dieterich	Kleinbaum	Nichols	Sieloff	Wegener
Dunn	Knaak	Ogdahl	Sikorski	Willet

The President declared a quorum present.

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

MEMBERS EXCUSED

Mr. Gunderson was excused from the Session of today at 12:00 o'clock noon. Mr. Renneke was excused from the Session of today until 10:30 o'clock a.m.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communication was received and referred to the committee indicated:

January 11, 1978

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

The following appointment to the Council on Quality Educa-

tion is hereby respectfully submitted to the Senate for confirmation as required by law:

Nancy Belbas, 4603 Lakeview Drive, Edina, Hennepin County, has been appointed by me, effective January 10, 1978, for a term expiring the first Monday in January, 1979.

Sincerely,
Rudy Perpich, Governor

Referred to the Committee on Education.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Gunderson introduced—

S. F. No. 2193: A bill for an act relating to town roads; providing that town roads are vacated after 25 years without maintenance; amending Minnesota Statutes 1976, Section 164.07, by adding a subdivision.

Referred to the Committee on Transportation.

Messrs. Olhoff, Strand, Peterson and Wegener introduced—

S. F. No. 2194: A bill for an act relating to veterans; establishing an additional veterans home; appropriating money.

Referred to the Committee on General Legislation and Veterans Affairs.

Mr. Olhoff introduced—

S. F. No. 2195: A bill for an act relating to shoreland management; requiring promulgation of uniform criteria for the granting of variances from shoreland management ordinances; clarifying procedures for review and appeal of local decisions to grant or refuse variances; amending Minnesota Statutes 1976, Section 105.485, Subdivision 3, and by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Bang, Frederick, Engler, Chmielewski and Schrom introduced—

S. F. No. 2196: A bill for an act proposing an amendment to the Minnesota Constitution; adding an article to limit the amount of taxes that may be raised by the state and its agencies and local government units.

Referred to the Committee on Taxes and Tax Laws.

Mr. Knutson introduced—

S. F. No. 2197: A bill for an act relating to education; banning sale of non-nutritious or cariogenic foods or beverages on school premises during school hours.

Referred to the Committee on Education.

Messrs. Lessard, Johnson and Perpich introduced—

S. F. No. 2198: A bill for an act relating to the university of Minnesota; concerning the mineral resources research center; appropriating money to publish a mining directory.

Referred to the Committee on Education.

Mrs. Staples, Messrs. Perpich, Dieterich, Luther and Benedict introduced—

S. F. No. 2199: A bill for an act relating to public welfare; disregarding certain income of recipients of general assistance; amending Minnesota Statutes 1976, Section 256D.06, Subdivision 1.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Kleinbaum, Laufenburger and Mrs. Brataas introduced—

S. F. No. 2200: A bill for an act relating to real estate brokers and salespersons; concerning the real estate education, research and recovery fund; amending Minnesota Statutes 1976, Section 82.34, Subdivisions 4, 6, 7, 9, 11, 12, 13, 14, 17 and 18.

Referred to the Committee on Commerce.

Mrs. Staples, Messrs. Perpich, Benedict, Laufenburger and McCutcheon introduced—

S. F. No. 2201: A bill for an act relating to public welfare; establishing uniform eligibility requirements and income disregards for supplemental aid; amending Minnesota Statutes 1976, Section 256D.37, as amended.

Referred to the Committee on Health, Welfare and Corrections.

Mrs. Staples, Messrs. Borden, Perpich, Benedict and McCutcheon introduced—

S. F. No. 2202: A bill for an act relating to the juveniles; providing for a hearing to determine detrimental relationships involving children; providing for a penalty for those engaging children in detrimental relationships; amending Minnesota Statutes 1976, Chapters 260, by adding a section; and 609, by adding a section.

Referred to the Committee on Judiciary.

Mr. Stumpf introduced—

S. F. No. 2203: A bill for an act relating to education; providing for the establishment of desired student competencies by school districts; providing for the establishment of model goals, objectives and minimum standards of desired student competency by the state board of education; establishing a state remedial education aid; appropriating money; amending Minnesota Statutes 1976, Sections 123.74; 123.741, Subdivisions 1, 2, 4, and by adding a subdivision; and Chapter 124, by adding a section; and Minnesota Statutes, 1977 Supplement, Section 123.742, Subdivision 1.

Referred to the Committee on Education.

Mr. Solon introduced—

S. F. No. 2204: A bill for an act relating to intoxicating liquor; hours and days of sale; amending Minnesota Statutes 1976, Section 340.14, Subdivision 1.

Referred to the Committee on Commerce.

Mr. Laufenburger introduced—

S. F. No. 2205: A bill for an act relating to highways; changing the procedure for designation of highways to carry 80,000 pounds gross weight; amending Minnesota Statutes, 1977 Supplement, Section 169.832, Subdivision 11; repealing Minnesota Statutes, 1977 Supplement, Section 169.832, Subdivision 12.

Referred to the Committee on Transportation.

Messrs. Perpich, Johnson, Lessard, Solon and Ulland, J. introduced—

S. F. No. 2206: A bill for an act relating to community corrections; amending Minnesota Statutes, 1977 Supplement, Section 401.13.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Keefe, S.; Laufenburger and Nelson introduced—

S. F. No. 2207: A bill for an act relating to workers' compensation; broadening authorization to assign compensation judges to workers' compensation court of appeals; clarifying application of certain exclusions; amending Minnesota Statutes 1976, Section 175.092 and Minnesota Statutes, 1977 Supplement, Section 176.041, Subdivision 1.

Referred to the Committee on Employment.

Messrs. Ulland, J.; Frederick; Dunn; Mrs. Knaak and Mr. Sieloff introduced—

S. F. No. 2208: A bill for an act relating to education; post-secondary educational institutions; requiring public post-secondary institutions to accept installment payments of tuition.

Referred to the Committee on Education.

Mr. Lewis introduced—

S. F. No. 2209: A bill for an act relating to social development; requiring the commissioner of public welfare and each board of county commissioners to develop a biennial plan relating to the identification, remedy, reduction and prevention of public social problems; requiring public participation in state and county plan development; authorizing the appointment of advisory councils; setting forth a formula for state funds to be allocated to the counties in bloc grants; establishing a temporary social development study commission.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Hughes, Anderson, Gunderson, Strand and Sillers introduced—

S. F. No. 2210: A bill for an act relating to energy; providing partial reimbursement to school districts for certain costs incurred to comply with energy conservation standards; appropriating money.

Referred to the Committee on Education.

Mrs. Brataas, Messrs. Lewis, Solon, Knutson and Perpich introduced—

S. F. No. 2211: A bill for an act relating to nursing homes; delaying imposition of certain nursing assistant training requirements; amending Minnesota Statutes, 1977 Supplement, Section 144A.61, Subdivision 6; repealing Laws 1977, Chapter 326, Section 8.

Referred to the Committee on Health, Welfare and Corrections.

Mrs. Brataas, Messrs. Lewis, Solon, Perpich and Knutson introduced—

S. F. No. 2212: A bill for an act relating to nursing homes; requiring training for certain nursing assistants; providing for approval of certain training programs; amending Minnesota Statutes 1976, Section 144A.61, by adding a subdivision; and Minnesota Statutes, 1977 Supplement, Section 144A.61, Subdivisions 2 and 6; repealing Minnesota Statutes 1976, Section 144A.61, Sub-

division 4; and Minnesota Statutes, 1977 Supplement, Section 144A.61, Subdivision 3; and Laws 1977, Chapter 326, Section 8.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Borden, Knoll and Willet introduced—

S. F. No. 2213: A bill for an act relating to energy; providing for solar energy system loans; providing insurance for loans; providing a tax incentive; appropriating money; amending Minnesota Statutes 1976, Sections 48.19, Subdivision 4; 273.11, Subdivision 1; 462A.06, Subdivision 4; Chapters 273, by adding a section; and 462A, by adding sections.

Referred to the Committee on Energy and Housing.

Messrs. Wegener and Sikorski introduced—

S. F. No. 2214: A bill for an act relating to crimes; specifying the acts constituting the offense of hit and run; prescribing penalties; amending Minnesota Statutes 1976, Section 169.09, Subdivision 1; and Chapter 609, by adding a section.

Referred to the Committee on Judiciary.

Messrs. Wegener and Sikorski introduced—

S. F. No. 2215: A bill for an act relating to highway traffic regulations; prohibiting passing a school bus when it is stopped and is displaying stop signals; providing penalties; amending Minnesota Statutes 1976, Section 169.44, Subdivision 1.

Referred to the Committee on Transportation.

Messrs. Wegener and Sikorski introduced—

S. F. No. 2216: A bill for an act relating to highway traffic regulations; permitting peace officers to make arrests upon probable cause in cases of drivers passing stopped school buses; providing criminal liability for an owner of a vehicle used to pass a stopped school bus although he was not the driver at the time of the violation; providing penalties; amending Minnesota Statutes 1976, Section 169.44, Subdivision 1, and by adding a subdivision.

Referred to the Committee on Transportation.

Messrs. Peterson, Johnson, Hanson, Setzepfandt and Sillers introduced—

S. F. No. 2217: A bill for an act relating to taxation; providing for apportionment in valuing certain class 3c and 3cc property; clarifying tax status of certain leased United States property; applying sales tax to certain tooling charges; clarifying status of certain taconite taxes; amending Minnesota Statutes 1976, Sections 273.19, Subdivision 1; and 297A.14; and Minnesota Statutes, 1977 Supplement, Section 273.13, Subdivision 7.

Referred to the Committee on Taxes and Tax Laws.

Mr. Chmielewski introduced—

S. F. No. 2218: A bill for an act relating to natural resources; authorizing additions to and deletions from certain state parks and authorizing land acquisition in relation thereto; directing the acquisition of certain lands for Afton state park by eminent domain; adding additional routing to Douglas Trail; revising the boundary of Birch Lakes State Forest; amending Minnesota Statutes 1976, Sections 85.015, Subdivision 4; and 89.021, Subdivision 7.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Tennesen, Laufenburger, Penny, Ashbach and Borden introduced—

S. F. No. 2219: A bill for an act relating to insurance; removing the limitation on the expense factor in setting workers' compensation insurance premiums; referring rates for expenses to the workers' compensation study commission; amending Minnesota Statutes, 1977 Supplement, Section 79.07; Laws 1977, Chapter 342, Section 27, Subdivision 1.

Referred to the Committee on Commerce.

Messrs. Stokowski, Keefe, J.; Ogdahl; Gearty and Keefe, S. introduced—

S. F. No. 2220: A bill for an act relating to state lands; authorizing the conveyance by the state of certain lands in Hennepin county; repealing Minnesota Statutes 1976, Sections 197.13; 197.15; and 197.16.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Merriam introduced—

S. F. No. 2221: A bill for an act relating to the department of human rights; concerning access to places of public accommodation; prescribing a penalty.

Referred to the Committee on Judiciary.

Messrs. Luther, Spear and Keefe, J. introduced—

S. F. No. 2222: A bill for an act relating to insurance; requiring certain agents and solicitors to identify themselves under certain circumstances; prescribing penalties; broadening the rule making power of the commissioner of insurance; amending Minnesota Statutes 1976, Section 72A.19; and Chapter 72A, by adding a section.

Referred to the Committee on Commerce.

Messrs. Kleinbaum and Keefe, S. introduced—

S. F. No. 2223: A bill for an act relating to commerce; prohibiting producers or refiners of petroleum from operating retail service stations with company personnel; providing for injunctive enforcement.

Referred to the Committee on Commerce.

Mr. Hanson introduced—

S. F. No. 2224: A bill for an act relating to retirement; consolidation of the police relief association of the city of Thief River Falls into the public employees police and fire fund.

Referred to the Committee on Governmental Operations.

Mr. Stumpf introduced—

S. F. No. 2225: A bill for an act relating to insurance companies; providing for the reporting of certain claims and other information to the commissioner of insurance; amending Minnesota Statutes 1976, Chapter 72A, by adding a section.

Referred to the Committee on Commerce.

Messrs. Strand, Stokowski, Peterson, Renneke and Ogdahl introduced—

S. F. No. 2226: A bill for an act relating to retirement; local police, salaried firefighters and volunteer firefighters relief associations; specifying allowable administrative expenses; amending Minnesota Statutes 1976, Sections 69.40; 423.32; 423.38; 423.51; 423.808; 424.16; and 424.31.

Referred to the Committee on Governmental Operations.

Mr. Johnson introduced—

S. F. No. 2227: A bill for an act relating to health; providing for subsidies to nonprofit corporations; encouraging the practice of medicine in underserved areas; appropriating money.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Johnson introduced—

S. F. No. 2228: A bill for an act relating to taconite and semi-taconite companies; withdrawing the right to exercise eminent domain; authorizing the grant of licenses, permits and leases of state owned land; amending Minnesota Statutes 1976, Section 117.47; repealing Minnesota Statutes 1976, Sections 117.46; and 117.461.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Johnson, Sikorski, Dieterich, Davies and Tennesen introduced—

S. F. No. 2229: A bill for an act relating to commerce; regulating interest rates; providing loan yield computations; providing investigation powers; amending Minnesota Statutes 1976, Sections 51A.39, Subdivision 1; 52.14; 56.19; 334.02; 334.03; Chapter 334, by adding a section; Minnesota Statutes, 1977 Supplement, Section 47.20, Subdivisions 2, 4, 13 and by adding subdivisions; repealing Minnesota Statutes 1976, Section 334.18.

Referred to the Committee on Commerce.

Messrs. Schmitz and Dunn introduced—

S. F. No. 2230: A bill for an act relating to elections; authorizing the designation of more than one polling place in a precinct; making necessary changes in terminology; amending Minnesota Statutes 1976, Sections 3.21; 200.02, Subdivision 23; 201.11; 203A.11, Subdivision 2; 203A.18, Subdivision 2; 203A.33, Subdivision 1; 204A.09, Subdivision 1, and by adding a subdivision; 204A.13, Subdivision 3; 204A.14, Subdivision 2; 204A.15; 204A.16, Subdivision 1; 204A.17, by adding a subdivision; 204A.18, Subdivisions 1 and 2; 204A.19; 204A.20; 204A.38, Subdivisions 1, 2 and 3; 204A.45, Subdivision 1; 204A.46, Subdivisions 1, 2, 3 and 5; 204A.47; 204A.48; 204A.55; 205.17, Subdivision 5; 206.026, Subdivisions 2 and 4; 206.07, Subdivision 2; 206.18; 206.185, Subdivisions 1, 4 and 5; 206.19, Subdivision 3; 206.20, Subdivision 5; 206.21, Subdivisions 1 and 2; 207.06; 207.08; 207.09; 207.221; 207.26; 207.30, Subdivision 3; and 340.20; and Minnesota Statutes 1977 Supplement, Sections 201.061, Subdivision 6; 207.02; 207.10; 207.101; and 207.11, Subdivisions 1 and 6.

Referred to the Committee on Elections.

Messrs. Schrom, Willet, Merriam, Setzepfandt and Dunn introduced—

S. F. No. 2231: A bill for an act relating to game and fish; leasing of state lands for feeding of deer and wild animals.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Borden introduced—

S. F. No. 2232: A bill for an act relating to school districts; authorizing certain taconite homestead credit payments; amending Minnesota Statutes, 1977 Supplement, Section 273.135, Subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

Mr. McCutcheon introduced—

S. F. No. 2233: A bill for an act relating to public health; author-

izing certain grants to provide health services for migrant agricultural workers; providing for allocation of grant moneys; amending Minnesota Statutes 1976, Section 145.922, Subdivision 1.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Stumpf introduced—

S. F. No. 2234: A bill for an act relating to Ramsey county; changing the day of county board meetings; amending Laws 1974, Chapter 435, Section 2.05, as amended.

Referred to the Committee on Local Government.

Mr. Borden introduced—

S. F. No. 2235: A bill for an act proposing an amendment to the Minnesota Constitution, Article I, adding a section; providing that equal rights under the law shall not be denied or abridged on account of sex.

Referred to the Committee on Judiciary.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 404.

H. F. No. 404: A bill for an act relating to political activities; providing for their regulation; defining terms; revising certain filing and reporting requirements; clarifying language; imposing expenditure and contribution limits; revising distribution of moneys from the state elections campaign fund to legislative candidates; removing obsolete provisions; providing penalties; amending Minnesota Statutes 1976, Sections 10A.01, Subdivisions 2, 5, 7, 9, 10, 11, 13, 15, 16 and 18, and by adding subdivisions; 10A.02, Subdivisions 1, 2, 4, 8, 9, 11, 12 and 13, and by adding a subdivision; 10A.04, Subdivision 1; 10A.07; 10A.09, Subdivision 6; 10A.11, Subdivisions 1 and 6; 10A.12, Subdivisions 1, 4 and 5; 10A.13; 10A.14, Subdivisions 1 and 2; 10A.15; 10A.16; 10A.17; 10A.19, Subdivision 1; 10A.20, Subdivisions 3, 4, 5 and 6; 10A.22, Subdivisions 1, 3, 4, 5 and 7; 10A.24; 10A.25; 10A.27; 10A.28; 10A.29; 10A.31, Subdivisions 3a, 5, 6, 7, 10, and by adding a subdivision; 10A.32; 10A.33; and 210A.01, Subdivision 3; and Chapter 10A, by adding sections; repealing Minnesota Statutes 1976, Sections 10A.09, Subdivision 7; 10A.17, Subdivision 2; and 10A.26.

And the House respectfully requests that a Conference Committee of three members be appointed thereon:

George, Rice and Samuelson have been appointed as such committee on the part of the House.

House File No. 404 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 16, 1978

Mr. Keefe, S. moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 404, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 405.

H. F. No. 405: A bill for an act relating to gambling; authorizing the operation of certain gambling devices by licensed organizations; providing a penalty; amending Minnesota Statutes 1976, Sections 325.54, Subdivision 1; 340.14, Subdivision 2; 609.75; 609.76; Chapters 349, by adding a section; and 609, by adding a section.

And the House respectfully requests that a Conference Committee of three members be appointed thereon:

Reding, Jensen and Fudro have been appointed as such committee on the part of the House.

House File No. 405 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 16, 1978

Mr. Nelson moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 405, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H. F. No. 2003.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 16, 1978

FIRST READING OF HOUSE BILLS

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

H. F. No. 2003: A bill for an act relating to reporting requirements for products liability claims; making various clarifications and technical changes; providing penalties for failure to comply; extending the expiration date; amending Laws 1977, Chapter 316, Section 2.

Referred to the Committee on Commerce.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Olson from the Committee on General Legislation and Veterans Affairs, to which was referred

S. F. No. 1992: A bill for an act relating to emergency services; authorizing the division of emergency services to enter into an agreement with the federal disaster assistance administration for the maintenance of the Minnesota natural disaster assistance plan; appropriating money.

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

Mr. Olson from the Committee on General Legislation and Veterans Affairs, to which was referred

S. F. No. 1993: A bill for an act relating to weather; authorizing the division of emergency services to establish a warning system in conjunction with the national weather service; appropriating money.

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

Mr. Olson from the Committee on General Legislation and Veterans Affairs, to which was referred

S. F. No. 1786: A bill for an act relating to veterans; requiring all counties to appoint a veterans service officer; amending Minnesota Statutes 1976, Section 197.60, Subdivision 1.

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

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 1495: A bill for an act relating to municipal obligations; revising provisions relating to advance refunding; amending Minnesota Statutes 1976, Section 475.67.

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

Page 2, line 6, strike "or any part of the"

Page 2, line 7, after "issues" insert "regardless of their source of payment"

Page 2, line 10, strike "interest" and insert "debt service"

Page 2, line 22, before the period insert "*but in no event shall the aggregate principal amount of the refunding obligations exceed by more than ten percent the aggregate principal amount of the obligations to be refunded*"

Page 3, line 9, strike "interest cost" and insert "debt service savings"

Page 3, lines 10 and 13, strike "11" and insert "12"

Page 3, line 12, strike "and"

Page 3, line 24, strike the new language

Page 3, lines 31 and 32, reinstate the stricken language and strike the new language

Page 4, lines 1 to 15, strike the new language and reinstate the stricken language

Page 4, line 16, reinstate "provided that" and strike the new language

Page 4, strike lines 17 to 32

Page 5, strike lines 1 to 18

Page 5, line 19, delete the underline from "may" and strike "may direct payment, from" and insert "any"

Page 5, line 21, strike the comma and strike the new language on lines 21 and 22

Page 5, line 22, strike "of the reasonable"

Page 5, line 23, strike "compensation of the banks acting as"

Page 5, line 24, strike everything before the period and insert "*may be remitted to the municipality*"

Page 6, lines 25 to 28, reinstate the stricken language and strike the new language

Page 7, lines 6 to 12, reinstate the stricken language

Page 7, line 9, after "unless" insert "*either (i) as a result of the refunding the average life of the maturities is extended at least five years or (ii)*"

Page 7, line 13, reinstate "12" and strike "11"

Page 7, line 15, reinstate the stricken language

Page 7, line 16, reinstate "additional conditions shall be observed."

Page 7, line 20, reinstate "each such obligation" and after "ob-

ligation" insert "*if repayable,*" and reinstate "shall be called for redemption"

Page 7, line 20, after the stricken word "on" insert "*prior to its maturity in accordance with its terms no later than either (1)*" and reinstate "the"

Page 7, line 21, reinstate "*earliest date on which it may be redeemed*"

Page 7, line 22, after the stricken word "terms" insert "*without payment of any premium, or (ii) if the obligation is only prepayable with payment of a premium, on the earliest date on which it may be redeemed with payment of the least premium required by its terms*" and reinstate the stricken period

Page 7, line 25, strike "*when the sole purpose of the*"

Page 7, strike line 26

Page 7, line 27, strike the new language and after "unless" insert "*either (i) as a result of the refunding the average life of the maturities is extended at least five years or (ii) as of the nominal date of the*"

Page 7, line 29, before "*interest*" insert "*debt service or*" and after "*interest*" insert "*only*"

Page 8, line 2, after "*of*" insert "*debt service or*" and after "*interest*" insert "*only, as the case may be,*"

Page 8, line 5, after "*of*" insert "*debt service or*" and after "*interest*" insert "*only*"

Page 8, line 9, after "*of*" insert "*debt service or*"

Page 8, line 10, after "*interest*" insert "*only*"

Page 8, line 22, strike "*shall be*" and insert "*is*"

Page 8, line 23, strike "*its*"

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

Mr. McCutcheon from the Committee on Taxes and Tax Laws, to which was referred

S. F. No. 1891: A bill for an act relating to taxation; property tax; exempting certain cities containing utility plants from per capita levy limitations; amending Minnesota Statutes 1976, Section 275.11, by adding a subdivision.

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

Mr. McCutcheon from the Committee on Taxes and Tax Laws, to which was referred

H. F. No. 1191: A bill for an act relating to taxation; creating special districts to be called tax increment financing districts; pro-

viding for tax increment financing of renewal and development projects; amending Minnesota Statutes 1976, Chapter 273, by adding sections; Sections 458.192, Subdivision 11; 462.585, Subdivision 1; 472A.06; 473F.02, Subdivision 3; 474.10, Subdivision 2; and repealing Minnesota Statutes 1976, Sections 458.192, Subdivision 12; 462.545, Subdivision 5; 462.585, Subdivisions 2, 3 and 4; 472A.07; and 472A.08.

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

Strike everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1976, Chapter 273, is amended by adding a section to read:

[273.71] [CITATION.] *Sections 1 to 16 may be cited as the Minnesota tax increment financing act.*

Sec. 2. Minnesota Statutes 1976, Chapter 273, is amended by adding a section to read:

[273.72] *Subdivision 1. [DEFINITIONS.] For the purposes of sections 1 to 16, the terms defined in this section shall have the meanings given them.*

Subd. 2. [AUTHORITY.] “Authority” means a housing and redevelopment authority created pursuant to chapter 462; a port authority created pursuant to chapter 458; a redevelopment agency as defined by chapter 474; a rural development finance authority established pursuant to chapter 362A; or a municipality which has formed or is administering a development district created pursuant to chapter 472A or any special law, which undertakes a project pursuant to chapter 474 or which exercises the powers of a port authority pursuant to any general or special law.

Subd. 3. [BONDS.] “Bonds” means any bonds, including but not limited to refunding bonds, notes, interim certificates, debentures, or other obligations issued by an authority under sections 11 to 13 after the effective date of this act.

Subd. 4. [MUNICIPALITY.] “Municipality” means any city, however organized, and, with respect to a project undertaken pursuant to chapter 474, “municipality” has the meaning given in chapter 474. In the case of a rural development finance authority established pursuant to chapter 362A, “municipality” means a county.

Subd. 5. [GOVERNING BODY.] “Governing body” means the duly elected council or board of a municipality.

Subd. 6. [ORIGINAL ASSESSED VALUE.] “Original assessed value” means the assessed value of all taxable real property within a tax increment district as most recently determined as of the date of request by the authority for certification by the county auditor pursuant to section 7, subdivision 1. The value of property which is exempt from taxation shall be zero and if it subsequently becomes taxable then its original assessed value shall be as most

recently assessed pursuant to section 273.18 or, if that assessment was made more than one year prior to the addition of the property to the project, the value which shall be assessed by the assessor at the time of the addition.

Subd. 7. [CAPTURED ASSESSED VALUE.] "Captured assessed value" means any amount by which the current assessed value of a tax increment district exceeds the original assessed value.

Subd. 8. [TAX INCREMENT PROJECT.] "Tax increment project" is a redevelopment project as defined in subdivision 10; an economic development project as defined in subdivision 12, or a housing project as defined in subdivision 11 located within a tax increment district.

Subd. 9. [PUBLIC IMPROVEMENT DISTRICT.] "Public improvement district" means an area in which there exist substandard conditions of land or structures, unsafe and unsanitary housing and buildings and structures used or intended to be used for living, commercial, industrial or other purposes or any combination of those uses which, by reason of sociological and technological changes, dilapidation, obsolescence, overcrowding and faulty arrangement or design of building and improvements, lack of public facilities, ventilation, light and sanitary facilities, excessive land coverage, deleterious land use, or obsolete layout, or any combination of these and other factors which inflict blight upon the economic value of large areas, impair the value of private investments, threaten the source of public revenues while decentralizing communities to areas improperly planned and not related to public facilities, and require many persons of low income to occupy unsafe, unsanitary, and overcrowded dwellings.

Subd. 10. [REDEVELOPMENT PROJECT.] "Redevelopment project" means a project which is located in a public improvement district within which one of the following conditions, reasonably distributed throughout the project area, is found to exist:

(a) More than 50 percent of the buildings, not including out-buildings, are structurally substandard to a degree requiring clearance. "Structurally substandard" shall mean containing defects in structural elements or a combination of deficiencies in essential utilities and facilities, light and ventilation, fire protection including adequate egress, layout and condition of interior partitions, or similar factors, which defects or deficiencies are of sufficient total significance to justify clearance; or

(b) 20 percent of the buildings are structurally substandard as defined in clause (a) and an additional 30 percent of the buildings are found to require clearance in order to remove such existing conditions as: inadequate street layout, incompatible uses or land use relationships, overcrowding of buildings on the land, excessive dwelling unit density, obsolete buildings not suitable for improvement or conversion, or other identified hazards to the health, safety and general well being of the community; or

(c) parcels of land not predominantly occupied by buildings,

streets, utilities or other improvements, but only when 80 percent of the total acreage of the vacant parcels has a fair market value upon inclusion in the project which, when added to the estimated cost of preparing the parcel for use exceeds its anticipated fair market value after completion of the site preparation.

Subd. 11. [HOUSING PROJECT.] "Housing project" means a project, or part of a project, devoted to providing housing for persons or families of low and moderate income, as defined in chapter 462A and regulations promulgated thereunder, title II of the national housing act of 1934, the national housing act of 1959, the United States housing act of 1937, as amended, or the farmers home administration act. Residential construction which does not provide housing for persons or families of low and moderate income may be included in redevelopment or economic development projects.

Subd. 12. [ECONOMIC DEVELOPMENT PROJECT.] "Economic development project" means any project not meeting the requirements found in the definition of "redevelopment project" or "housing project".

Subd. 13. [ADMINISTRATIVE EXPENSES.] "Administrative expenses" means all expenditures of an authority other than amounts paid for the purchase of land or amounts paid to contractors or others providing materials and services, including architectural and engineering services directly connected with the physical development of the real property in the project, relocation benefits paid to persons residing in the project area, or amounts used to pay interest on, fund a reserve for, or sell at a discount bonds issued pursuant to sections 1 to 16.

Subd. 14. [TAX INCREMENT DISTRICT.] "Tax increment district" means a geographic area from which tax increments are derived to finance one or more tax increment projects. A tax increment district may include noncontiguous parcels.

Sec. 3. Minnesota Statutes 1976, Chapter 273, is amended by adding a section to read:

[273.73] [ESTABLISHMENT OF PUBLIC IMPROVEMENT DISTRICT.] Subdivision 1. [FINDINGS.] The governing body of a municipality may by resolution designate an area within its boundaries to be a public improvement district if it finds that blighting conditions, as described in section 1, subdivision 9, exist throughout the area. Detailed, specific written findings of those conditions shall be made and adopted.

Subd. 2. [PLAN FOR PUBLIC IMPROVEMENT DISTRICT PROGRAM; CONTENTS.] When designating an area to be a public improvement district, the governing body shall propose a plan for the area. The public improvement district plan shall contain a detailed statement of the objectives of the municipality for improvement of the public improvement district. The plan shall include a description of proposed public facilities and open space to be created and the proposed use of the property within the district. It shall contain estimates of the following: cost of any

private and public projects; sources of revenue to finance these costs including estimates of tax increments for any tax increment projects; amount of bonded indebtedness to be incurred; and the duration of any tax increment projects.

Subd. 3. [OPPORTUNITY FOR PRIVATE ENTERPRISE.] *The plan for the public improvement district shall afford maximum opportunity for participation by private enterprise.*

Subd. 4. [PUBLIC HEARING.] *Before approving a public improvement district plan, the governing body shall hold a public hearing on the plan. Notice of the hearing shall be published in a newspaper of general circulation in the municipality at least once not less than ten days nor more than 30 days prior to the date of hearing. The authority shall make the plan available to the public at least 15 days prior to the date of the public hearing.*

Subd. 5. [PLANNING AGENCY APPROVAL.] *The governing body of the municipality shall furnish the planning agency or commission of the municipality with a copy of the public improvement district plan. No plan may be adopted by the municipality until the planning agency or commission has reviewed the tax increment financing plan and commented as to its conformance with the general plan for the development of the municipality or 60 days have passed from the date of submission of the plan to the agency.*

Sec. 4. Minnesota Statutes 1976, Chapter 273, is amended by adding a section to read:

[273.74] **[INTERVAL BEFORE REDEVELOPMENT ACTIVITY.]** *Planning and preliminary procedures relating to the development of a tax increment financing plan pursuant to section 5 may be carried on during the time when the procedure described in section 3 is being conducted; provided that no tax increment financing project may be approved within a public improvement district until at least 90 days have passed from the date of final approval of a public improvement plan by the governing body of a municipality pursuant to section 3.*

Sec. 5. Minnesota Statutes 1976, Chapter 273, is amended by adding a section to read:

[273.75] **[APPROVAL OF USE OF TAX INCREMENT FINANCING.]** **Subdivision 1. [APPROVAL BY GOVERNING BODY.]** *No county auditor shall certify the value of a tax increment district until the tax increment financing plan proposed for that district has been approved by the governing body of the municipality in which the project is proposed to be located. If an authority which proposes to establish a tax increment project and the governing body of the municipality are not the same, the authority shall apply to the governing body of the municipality in which the project would be located and shall obtain the approval of its tax increment financing plan by the governing body before the authority may use tax increment financing.*

Subd. 2. [TAX INCREMENT FINANCING PLAN.] *In the application, the authority shall furnish the governing body with*

its plan for the use of tax increment financing. The tax increment financing plan submitted to the governing body for its approval shall include findings made by the authority that the use of tax increment financing in the proposed tax increment district is necessary because of the lack of private investment activity in the area. If the project is proposed to be located in a public improvement district, the plan shall include a finding that the tax increment financing plan conforms to the public improvement district plan of the municipality. The specific factual bases for these findings shall be set forth. The plan shall also contain the following information: a statement by the authority of the objectives of the project; the development program for the project; estimates of the following: cost of the project, including administrative expenses; amount of bonded indebtedness to be incurred; sources of revenue to finance project costs; the original assessed value of property in the project; and the projected captured assessed value of the project at the time of its completion. If the authority proposes to use only a portion of the captured assessed value of a district for tax increment financing purposes, the plan shall state what portion is proposed to be used.

Subd. 3. [PUBLIC HEARING.] Before approving a tax increment financing plan the governing body shall hold a public hearing on the plan. Notice of the hearing shall be published in a newspaper of general circulation in the municipality at least twice no less than ten days nor more than 30 days prior to the date of the hearing. The authority shall make the plan available to the public at least 30 days prior to the date of the public hearing.

Subd. 4. [NOTICE TO LOCAL BOARDS, STATE PLANNING AGENCY.] At least thirty days prior to the date of the public hearing held pursuant to subdivision 3, the school board and board of county commissioners of the school district and county within which the tax increment project is proposed to be located, the state planning agency, and, if the proposed project is located in the metropolitan area defined in section 473.121, subdivision 2, the metropolitan council, shall be furnished with copies of the tax increment financing plan. A representative of each board and agency receiving the plan shall comment on the plan at the public hearing. Absence of comment shall not prevent approval of a plan nor invalidate bonds issued to finance its execution.

Subd. 5. [APPROVAL BY GOVERNING BODY.] No tax increment financing plan shall be approved by the governing body unless the authority submitting the plan for approval has concluded an agreement or agreements with one or more developers which provide for the execution of the project plan covering 85 percent of the area of the proposed project and which provide recourse for the authority against the developer should the execution of the project plan fail because of the default of the developer. A copy of the agreement shall be submitted to and approved by the governing body. No plan shall be approved unless the governing body finds that the proposed project will not contribute to urban sprawl. Any proposal to use tax increment financing in relation to any previously unincorporated real property annexed

by the municipality pursuant to chapter 414 within three years prior to the date of the application shall be deemed to contribute to urban sprawl. If the authority and the governing body of the municipality are not the same, the governing body shall within 90 days after submission of the application or resubmission as provided herein, give written notice to the authority of its decision with respect to the tax increment financing plan. If approval is not given within 90 days the application shall be deemed to have been rejected. A plan which has not been approved by the governing body when submitted to it may be again submitted to it with such modifications as are necessary to meet its objections.

Subd. 6. [MODIFICATION OF PLAN.] Any tax increment financing plan, whether adopted before or after the effective date of this act, may be modified by an authority. Any enlargement of geographic area, increase in amount of bonded indebtedness to be incurred, increase in the portion of the captured assessed value to be retained by the authority or use of revenues derived from any district in the municipality, if not included in the original tax increment financing plan, shall be approved by the governing body of the municipality upon notice and after public hearing as are required pursuant to the provisions of subdivision 3.

The original assessed value of any taxable real property added to a tax increment project pursuant to this subdivision shall be the assessed value of that real property as most recently determined prior to the modification of the financing plan which added the property.

If property which is added to a project pursuant to this subdivision is exempt from taxation at the time of its addition to the project, and subsequently becomes taxable it shall be added to the base at its value as most recently assessed pursuant to section 273.18 or, if that assessment was made more than one year prior to the addition of the property to the project, the value which shall be assessed by the assessor at the time of the addition.

Subd. 7. [ELIMINATION OF TAX-EXEMPT PROPERTY.] If, at any time after certification of the original assessed value of a tax increment district pursuant to section 7, property located within the district becomes exempt from taxation, an authority may eliminate that property from the district. Upon application of the authority, the county auditor shall reduce the original assessed value of the district by the amount of the value of that parcel at the time of certification of the district.

Sec. 6. Minnesota Statutes 1976, Chapter 273, is amended by adding a section to read:

[273.76] [LIMITATION ON INCREMENTS.] If, after three years from the date of certification of the value of the tax increment district pursuant to section 7, no demolition, rehabilitation or renovation of property or other site preparation, including improvement of a street adjacent to a parcel in the district but not installation of utility service property has been commenced on a parcel located within a project by the authority or by the

owner of the property in accordance with the tax increment financing plan, no additional tax increments may be taken from that parcel, and the original assessed value of that parcel shall be excluded from the certified value of the tax increment district. If the authority subsequently commences demolition, rehabilitation or renovation or other site preparation on that parcel in accordance with the tax increment financing plan, the authority shall certify to the county auditor that the activity has commenced, and the parcel may be added into the tax increment district. The county auditor shall certify the most recently assessed value of that parcel and add it to the original assessed value of the tax increment district.

Sec. 7. Minnesota Statutes 1976, Chapter 273, is amended by adding a section to read:

[273.77] [COMPUTATION OF TAX INCREMENT.] *Subdivision 1. [ORIGINAL ASSESSED VALUE.] After a tax increment financing plan has been approved by the governing body the auditor of the county in which the district is situated shall, upon request of the authority, certify the original assessed value of the tax increment district as described in the tax increment financing plan. The county auditor shall have the power to specify the form and content of the request for certification of the authority and any modification thereof pursuant to section 5, subdivision 6. If the assessed value of property located within a tax increment district is reduced by a court-ordered abatement, the original assessed value of the district shall be reduced by that amount.*

Subd. 2. [RELATIONSHIP OF CERTAIN DISTRICTS TO CHAPTER 473F.] For purposes of the computations required by this section for any tax increment district, the original assessed value shall not include any portion thereof which is subject to the area wide tax imposed by section 473F.08, subdivision 6, in the levy and assessment of taxes in the year the project is certified or thereafter. For purposes of the computations required by this section for tax increment districts created for the purpose of financing economic development or redevelopment, the current assessed value shall not include the portion thereof which is subject to the area wide tax imposed by section 473F.08, subdivision 6, but shall not otherwise be reduced by the amount of the contribution of the municipality to the area wide tax base pursuant to section 473F.08, subdivision 2 (a). As provided in chapter 473F, that portion of the valuation of property in a tax increment district which is residential property shall be exempt from the requirements of chapter 473F.

Subd. 3. [CAPTURED ASSESSED VALUE.] The county auditor shall certify the amount of the captured assessed value to the authority each year. If the plan provides that all the captured assessed value is necessary to finance or otherwise make permissible expenditures under section 9, subdivision 3, the authority may retain the full captured assessed value. If the plan provides that only a portion of the captured assessed value is necessary to finance or otherwise make those expenditures, only

that portion should be set aside and the remainder shall be distributed among the affected taxing districts by the county auditor.

Subd. 4. [TAX INCREMENTS.] (a) *In each subsequent year, the county auditor shall compute assessed valuation, mill rates and tax increments according to the following method:*

(1) *If the authority retains the full captured assessed value, the county auditor shall include no more than the original assessed value in the tax increment district for purposes of determining assessed value for local mill rates. The county auditor shall compute the mill rates of all taxes levied by the state, the county, the municipality or town, the school district and every other taxing district in which the project is located in whole or in part on that assessed value. The county auditor shall extend all mill rates against the current assessed value, including the captured assessed value. In each year for which the current assessed value exceeds the original assessed value, the county treasurer shall remit to the authority that proportion of all taxes paid that year on real property in the district which the captured assessed value bears to the total current assessed value. The amount so remitted each year is referred to in this section as the tax increment for that year.*

(2) *If the authority retains only a portion of the captured assessed value for its use and returns the remaining portion to the tax rolls of all affected taxing districts, the county auditor shall include the original assessed value and that portion of the captured assessed value which is shared with all the affected taxing districts in determining the assessed value for computing mill rates. He shall compute the mill rates of all taxes levied by the state, county, municipality, school district, and every other taxing district in which the project is located in whole or in part on that assessed value. He shall extend all mill rates against the total current assessed value including that portion of the captured assessed value which the authority is retaining for its use only. In each year for which the current assessed value exceeds the original assessed value, the county treasurer shall remit to the authority that proportion of all taxes paid on real property in the district that the retained captured assessed value bears to the total current assessed value in the district. The amount so remitted each year is referred to as the tax increment.*

(b) *In any year in which the current assessed value of the tax increment district is less than the original assessed value, the county auditor shall compute and extend taxes against the current assessed value. Taxes shall be distributed from the affected property to each of the taxing jurisdictions as determined by the current levy and there shall be no tax increment.*

Sec. 8. Minnesota Statutes 1976, Chapter 273, is amended by adding a section to read:

[273.78] [LIMITATION ON TAX INCREMENT DISTRICTS.] *Subdivision 1. [PERCENTAGE OF VALUE.] No tax increment district may be certified in a municipality by the county auditor if the total captured assessed value of a taxable real prop-*

erty in all tax increment projects or districts within the municipality, when added to the estimated captured assessed valuation of the proposed project at its termination as stated in the project plan, plus the unrealized estimated captured assessed valuation of all other previously certified tax increment projects or districts at their termination dates according to their financing plan, exceeds the percent of the total assessed value of taxable real property in the municipality, as most recently determined by the county auditor specified herein: if the total assessed value is more than \$199,999,999, six percent; if more than \$24,999,999 but less than \$200,000,000, eight percent; if more than \$7,499,999 but less than \$25,000,000, twelve percent; and if less than \$7,500,000, fourteen percent.

Subd. 2. [DURATION OF TAX INCREMENT DISTRICTS.] Any pledge of revenues, including tax increments, to the payment of bonds and interest thereon may be discharged and the tax increment district may be terminated if sufficient funds have been irrevocably deposited in the debt service fund or other escrow account held in trust for all outstanding bonds to provide for the payment of the bonds at maturity or date of redemption and interest thereon to such maturity or redemption date, provided that for bonds issued pursuant to sections 11 or 12 the full faith and credit and any taxing powers of the municipality or authority, as the case may be, shall continue to be pledged to the payment of the bonds until the principal of and interest on the bonds has been paid in full.

Sec. 9. Minnesota Statutes 1976, Chapter 273, is amended by adding a section to read:

[273.78] **[TAX INCREMENT PROCEEDS.]** Subdivision 1. **[ACCOUNTS.]** The proceeds of the tax increments received with respect to any project shall be segregated by the authority receiving them in a special account or accounts on its official books and records or otherwise established by resolution of the authority to be held by a trustee for the benefit of holders of the bonds.

Subd. 2. [EXCESS INCREMENTS.] In any year in which the tax increments exceed the amount necessary to pay the costs authorized by the tax increment financing plan, including the amount necessary to cancel any tax levy as provided in section 475.61, subdivision 3, the authority shall use the excess amount to prepay any outstanding bonds or discharge the pledge of tax increments therefor.

Subd. 3. [LIMITATION ON USE OF TAX INCREMENTS.] Except in the case of a tax increment project or district for which certification was requested prior to the effective date of sections 1 to 16 pursuant to a law which did not at that date require adoption of a tax increment financing plan, revenues derived from tax increments subsequent to the effective date of sections 1 to 16 shall be used only to pay off bonds or to make any other expenditure authorized by the general or special law under which the authority was created or operates, and only as authorized in the tax increment financing plan.

Subd. 4. [LIMITATION ON ADMINISTRATIVE EXPENSES.] Tax increments shall not be used to pay any administrative expenses which exceed five percent of the total cost of a project which is subject to the provisions of sections 1 to 16.

Subd. 5. [LIMITATION ON DURATION OF INCREMENTS.] Tax increments may be taken from parcels comprising a redevelopment project for a period lasting no more than 20 years after receipt of first increments, from parcels comprising a housing project for a period lasting no more than 25 years after receipt of first increments, and from parcels comprising an economic development project for a period lasting no more than ten years after receipt of first increments.

Sec. 10. Minnesota Statutes 1976, Chapter 273, is amended by adding a section to read:

[273.80] [RESTRICTION ON FUTURE BOND ISSUES.] *Notwithstanding the provisions of any other law to the contrary, after the effective date of this act, no bonds for payment of which tax increments are pledged shall be issued in connection with any tax increment project or district other than as authorized by sections 11 to 13. The proceeds of any bonds authorized hereby shall be used only in accordance with section 9, subdivision 3, as if the proceeds were tax increments.*

Sec. 11. Minnesota Statutes 1976, Chapter 273, is amended by adding a section to read:

[273.81] [MUNICIPAL GENERAL OBLIGATION BONDS.] *Subdivision 1. [ISSUANCE.] A municipality may authorize general obligation bonds to finance any expenditure which the municipality or any other authority the jurisdiction of which is wholly or partially within a municipality is authorized to make pursuant to section 9, subdivision 3. The bonds shall be issued, sold and secured in the same manner and subject only to the same conditions as those provided in chapter 475, for bonds financing improvement costs reimbursable from special assessments.*

Subd. 2. [PLEDGE.] Any pledge of tax increments, assessments or other revenues for the payment of the principal of and interest on general obligation bonds issued under this section, except when the authority and the municipality are the same, shall be made by written agreement by and between the authority and the municipality and filed with the county auditor. When the authority and the municipality are the same, the municipality may by covenant pledge tax increments, assessments or other revenues for the payment of the principal of and interest on general obligation bonds issued under this section. The resolution containing the covenant shall be filed with the county auditor. When tax increments, assessments and other revenues are pledged, the estimated collections of the tax increments, assessments and other revenues so pledged may be deducted from the taxes otherwise required to be levied before the issuance of the bonds under section 475.61, subdivision 1, or may be certified annually to reduce or cancel the initial tax levies in accordance with section 475.61, subdivision 1

or 3. The pledge of any revenues, including tax increments, to the payment of bonds and interest may be discharged if sufficient funds have been irrevocably deposited in escrow to provide for payment when due of the bonds and interest. The full faith and credit and taxing powers of the municipality shall continue to be pledged to the payment of any general obligation bonds until the principal of and interest on the bonds have been paid in full.

Sec. 12. Minnesota Statutes 1976, Chapter 273, is amended by adding a section to read:

[273.82] [AUTHORITY GENERAL OBLIGATION BONDS.] *When the authority and the municipality are not the same, an authority may, by resolution, authorize, issue and sell its general obligation bonds to finance any expenditure which that authority is authorized to make by section 9, subdivision 3. The full faith and credit and taxing power of the authority shall be and are hereby pledged to the payment of the bonds and interest thereon. Any revenues, including tax increments and assessments, derived from a tax increment district, may be pledged to the payment of the bonds and interest thereon. The bonds of the authority shall be authorized by its resolution, shall mature as determined by resolution of the authority in accordance with sections 1 to 16. The bonds may be issued in one or more series and shall bear the date or dates, bear interest at the rate or rates, be in the denomination or denominations, be in the form, either coupon or registered, carry the conversion or registration privileges, have the rank or priority, be executed in the manner, be payable in medium of payment at the place or places, and be subject to the terms of redemption, with or without premium, as the resolution, its trust indenture or mortgage may provide. The bonds may be sold at public or private sale at the price or prices as the authority by resolution shall determine. Notwithstanding any provision of law to the contrary, the bonds shall be fully negotiable. In any suit, action, or proceedings involving the validity or enforceability of any such bonds of the authority or the security therefor, any such bond reciting in substance that it has been issued by the authority to aid in financing a project shall be deemed to have been issued for that purpose, and the project shall be conclusively deemed to have been planned, located, and carried out in accordance with the purposes and provisions of sections 1 to 16.*

Subd. 2. [LIABILITY ON BONDS.] *Neither the governing body of the authority nor any person executing the bonds shall be liable personally on the bonds by reason of the issuance thereof. The bonds of the authority, as the bonds shall state on their face, shall not be a debt of any municipality, the state or any political subdivision thereof, and neither the municipality nor the state or any political subdivision thereof shall be liable thereon, nor in any event shall the bonds be payable out of any funds or properties other than those of the authority and any tax increments and revenues of a tax increment district pledged therefor.*

Sec. 13. Minnesota Statutes 1976, Chapter 273, is amended by adding a section to read:

[273.83] [REVENUE BONDS.] *Subdivision 1. [ISSUANCE.] An authority may, by resolution, authorize, issue and sell revenue bonds payable solely from all or a portion of revenues, including but not limited to tax increment revenues and assessments, derived from a tax increment district located wholly or partially within the municipality to finance any expenditure which that authority is authorized to make by section 9, subdivision 3, and may pledge the revenues to the payment of the bonds and the interest thereon. The bonds shall mature as determined by resolution of the authority in accordance with the provisions of sections 1 to 16 and may be issued in one or more series and shall bear the date or dates, bear interest at the rate or rates, be in the denomination or denominations, be in the form, either coupon or registered, carry the conversion or registration privileges, have the rank or priority, be executed in the manner, be payable in medium of payment at the place or places, and be subject to the terms of redemption, with or without premium, as the resolution, its trust indenture or mortgage may provide. The bonds may be sold at public or private sale at the price or prices as the authority by resolution shall determine. Notwithstanding any provision of law to the contrary, the bonds shall be fully negotiable. In any suit, action, or proceedings involving the validity or enforceability of any such bonds of the authority or the security therefor, any such bond reciting in substance that it has been issued by the authority to aid in financing a project shall be deemed to have been issued for that purpose, and the project shall be deemed to have been planned, located, and carried out in accordance with the purposes and provisions of sections 1 to 16.*

Subd. 2. [LIABILITY ON BONDS.] Neither the governing body of the authority nor any person executing the bonds shall be liable personally on the bonds by reason of the issuance thereof. The bonds may be further secured by a pledge and mortgage of all or any portion of the project in aid of which the bonds are issued and the covenants the authority deems by the resolution to be necessary and proper to secure payment of the bonds. The bonds, as they shall state on their face, shall not be payable from nor charged upon any funds other than the revenues and property pledged or mortgaged to the payment thereof, nor shall the authority issuing the same be subject to any liability thereon or have the powers to obligate itself to pay or to pay the bonds from funds other than the revenues and properties pledged and mortgaged and no holder of the bonds shall ever have the right to compel any exercise of any taxing power of the issuing authority or any other public body, other than as is permitted or required under sections 1 to 16 and pledged therefor hereunder, to pay the principal of or interest on the bonds, nor to enforce payment thereof against any property of the authority or other public body other than that expressly pledged or mortgaged for the payment thereof.

Sec. 14. Minnesota Statutes 1976, Chapter 273, is amended by adding a section to read:

[273.84] [ADDITIONAL LEVY ON PARCELS SUBJECT

TO WRITEDOWNS.] *If at any time within ten years after certification of the original assessed value of a tax increment project, the governing body of the municipality which approved the project finds that the tax increments being derived from the project are insufficient to meet current interest and principal amortization payments on the bonds issued to finance the project, it shall levy an additional tax on the property located within the project. Property shall be subject to the additional levy if it was purchased from the authority for a price which was lower than the sum of the price paid by the authority for the parcel plus the amount expended by the authority to prepare the parcel for sale. The levy shall not exceed five mills, and shall be in effect for no more than ten years. The total amount levied against a parcel shall be no more than the difference between the price paid to the authority by the purchaser for the parcel and the cost to the authority for purchase and preparation of the parcel. Taxes levied pursuant to this section shall be collected and remitted to the authority by the county treasurer in accordance with Minnesota Statutes, Chapter 276, and shall be used solely for the payment of bonds issued to finance the district and interest on the bonds when due. A tax levied pursuant to this section shall be in lieu of or reduce the amount of a tax which the authority would be authorized to levy on all taxable property in the municipality to pay the cost of principal and interest on the bonds pursuant to section 475.61.*

Sec. 15. Minnesota Statutes 1976, Chapter 273, is amended by adding a section to read:

[273.80] [ANNUAL DISCLOSURE.] *For all tax increment districts, whether created prior or subsequent to the effective date of this act, on or before July 1 each year, the authority shall submit to the county board, the school board, the state planning agency and, if the authority is other than the governing body, the governing body of the municipality a report on the status of the district. The report shall include the following information: the amount and the source of revenue in the account, the amount and purpose of expenditures from the account, the amount of principal and interest on any outstanding bonded indebtedness, the original assessed value of the district, the captured assessed value retained by the authority, the captured assessed value shared with other taxing districts, the tax increments received and any additional information necessary to demonstrate compliance with any applicable tax increment financing plan. An annual statement showing the tax increments received and expended in that year, the original assessed value, captured assessed value, amount of outstanding bonded indebtedness, and any additional information the authority deems necessary shall be published in a newspaper of general circulation in the municipality.*

Sec. 16. Minnesota Statutes 1976, Chapter 273, is amended by adding a section to read:

[273.86] [EXISTING PROJECTS.] *The provisions of sections 1 to 16 shall not affect any project in a tax increment district for which certification has been requested under chapters 462, 474, 472A or 458; Laws 1971, Chapters 548 and 677; and Laws 1973,*

Chapters 196, 761, or 764, prior to the effective date of sections 1 to 16 except as expressly provided herein and except that an authority may elect to proceed with an existing tax increment project under the provisions of sections 1 to 16.

Sec. 17. Minnesota Statutes 1976, Chapter 273, is amended by adding a section to read:

[273.87] [DEFERRED PROPERTY TAXATION FOR PRIVATE REDEVELOPMENT.] *Subdivision 1. [APPLICATION.] A developer proposing to rehabilitate or to construct improvements on property located within a public improvement district established pursuant to section 3 may apply to the governing body of the municipality in which the property is located to obtain a deferral of property tax on the parcel proposed to be improved. The applicant shall submit his plan for the improvement of the property, stating the nature and location of the proposed improvement, its estimated cost, and a reasonable projected length of construction time.*

Subd. 2. [QUALIFIED PLAN.] If the governing body finds that the proposed development is a qualified plan as defined herein, and is consistent with the public improvement district plan, it may approve the application.

For the purposes of this section, "qualified plan" is a plan to improve the property for which the tax deferral is being sought if:

(i) the property is located in an area within which one of the following conditions, reasonably distributed throughout the area, is found to exist:

(a) More than 50 percent of the buildings, not including out-buildings, are structurally substandard to a degree requiring clearance. "Structurally substandard" shall mean containing defects in structural elements or a combination of deficiencies in essential utilities and facilities, light and ventilation, fire protection including adequate egress, layout and condition of interior partitions, or similar factors, which defects or deficiencies are of sufficient total significance to justify clearance; or

(b) 20 percent of the buildings are structurally substandard as defined in clause (a) and an additional 30 percent of the buildings are found to require clearance in order to remove such existing conditions as: inadequate street layout, incompatible uses or land use relationships, overcrowding of buildings on the land, excessive dwelling unit density, obsolete buildings not suitable for improvement or conversion, or other identified hazards to the health, safety and general well being of the community; or

(c) parcels of land not predominantly occupied by buildings, streets, utilities or other improvements, but only when 80 percent of the total acreage of the vacant parcels has a fair market value which, when added to the estimated cost of preparing the parcel for use, exceeds its anticipated fair market value after completion of the site preparation; or

(ii) the improvement of the property is to be for the purpose of

providing housing for persons or families of low and moderate income, as defined in chapter 462A and regulations promulgated thereunder, title II of the national housing act of 1934, the national housing act of 1959, the United States housing act of 1937, as amended, or the farmers home administration act.

No application for tax deferral may be approved for property which is located within a tax increment district which has been certified pursuant to section 7, and no tax increment district certified after the tax deferral has been granted may include property which is subject to the deferral. If the application is approved by June 30, the tax exemption shall be in effect for taxes paid the following year; if it is approved later than June 30, the exemption shall be in effect for taxes paid in the second subsequent taxable year.

Subd. 3. [TAX TREATMENT.] Property approved for the tax deferral provided in this section shall be exempt from taxation during the time while the improvements proposed in the plan are under construction. The exemption shall be in effect for the number of taxable years approved by the governing body at the time of approval of the application. The period of deferral shall not exceed the length of a reasonable construction period which shall be specified in the plan. For taxes payable in the first year following the levy year during which 50 percent of the area of the building becomes occupied, the tax due on the property shall be the amount of tax paid on the property in the year in which the developer applied for the deferral, multiplied by the number of years during which the property was exempt from taxation pursuant to this section. If the improvements which had been present on the property were demolished prior to the year of the application, the governing body may require that the deferred tax be computed based on the amount of tax due on the property for the last taxable year preceding the demolition of the improvements. For all subsequent taxable years, the property shall be assessed as provided in section 273.11.

Subd. 4. [TRANSFERABILITY.] When ownership of property which has been approved for the tax deferral provided in this section is transferred from the original applicant, the governing body may elect to continue to defer the tax on the property if the subsequent owner agrees to redevelop the property according to either the original redevelopment plan approved under subdivision 2 or a plan proposed by the subsequent owner and approved by the governing body. If the governing body does not approve continuation of the tax deferral, the property shall be assessed as provided in section 273.11 for the levy year following the transfer. The original applicant shall be liable for payment of all deferred taxes, which shall be payable in the year following the transfer of the property in accordance with the provisions of section 279.01.

Subd. 5. [TAX DELINQUENCY.] If, at the termination of the deferral period, the owner fails to pay the tax on the property when it becomes due, and the property is bid in for the state at a tax judgment land sale pursuant to section 280.001, the time for redemption of the property provided in section 281.17 shall be reduced by the number of taxable years during which the tax on the property was deferred pursuant to this section.

Sec. 18. Minnesota Statutes 1976, Section 458.192, Subdivision 11, is amended to read:

Subd. 11. Upon or after the creation of an industrial development district under section 458.191 *which is not subject to the provisions of sections 1 to 16*, the auditor of the county in which it is situated shall upon request of the port authority certify the then most recently determined assessed valuation of all or so much of the taxable real property within the district as is identified by legal description in the request, other than that portion of the valuation which is contributed to an area-wide tax base under chapter 473F. The auditor shall certify to the authority in each year thereafter the amounts and percentages of subsequent increases or decreases in such valuation other than that portion of such increases or decreases which is contributed to an area-wide tax base under chapter 473F. The auditor shall compute the mill rates of taxes against such original valuation but shall extend such rates also against any incremental value and remit the resulting tax increment to the port authority in the same manner as that provided for the computation and remittance of tax increments under section 462.585, subdivisions 2 and 3. The port authority shall segregate tax increments received with respect to any such property district in a special account on its official books and records. Such tax increments shall be remitted to the port authority until the cost of redevelopment of the marginal land within the district, including interest thereon, has been fully reimbursed from the tax increments. When such full reimbursement has been made, it shall be reported by the port authority to the county auditor, who shall thereafter include the entire assessed valuation of the property in the assessed valuations upon which tax mill rates are computed and extended and taxes are remitted to all taxing districts. Any part or all of such tax, if so directed by the city council, shall be pledged and appropriated for the payment of any general obligation bonds of the port authority. Increases in the value of such property, subsequent to certification of the base for computing the tax increment therefrom, shall not be included in the assessed valuation of any taxing district for the purpose of computing any debt or levy limitation or the amount of any state or federal aid to the taxing district, so long as the tax increment therefrom is segregated under the provisions of this section. *The provisions of this subdivision shall not apply with respect to any project, certification of which is requested subsequent to the effective date of the tax increment financing act.*

Sec. 19. Minnesota Statutes 1976, Section 462.585, Subdivision 1, is amended to read:

462.585 [AGREEMENTS RESPECTING TAX INCREMENTS AND EQUIVALENTS; PLEDGE FOR BONDS.] Subdivision 1. [GENERAL.] In connection with any project of an authority located wholly or partly within the corporate limits of any municipality or other state public body, such body may agree with the authority with respect to the payment by the authority of such sums in lieu of taxes for any year or period of years in

accordance with the provisions of section 462.575, but for no longer period than the period of tax exemption provided for under that section. In any case where property owned by the authority in a redevelopment project area is leased or otherwise made available by the authority to a private individual, firm, or corporation which previously owned the same or other property within the area, not for development in connection with the project but for temporary use pending relocation of such former owner's residence or business, the authority may agree to payment of sums in lieu of taxes for any year or period of such temporary use, not exceeding the amount of the annual rentals or other payments it receives for such use, but during such use the property and the authority shall be exempt from all taxes and special assessments as provided in section 462.575, and the provisions of section 272.01, subdivision 2 and of section 273.19 shall not apply to such property or to such use thereof. In connection with any redevelopment project, an authority may make further agreements respecting taxes as provided below *in the case of projects which are not subject to the provisions of sections 1 to 16 . The provisions of subdivisions 2 and 3 shall not apply with respect to any project, certification of which is requested subsequent to the effective date of the tax increment financing act.*

Sec. 20. Minnesota Statutes 1976, Section 462.585, Subdivision 4, is amended to read:

Subd. 4. [TAX INCREMENT FINANCING.] The authority may pledge and appropriate any part or all of the tax increments received for any redevelopment project, and any part or all of the revenues received from lands in the project area while owned by the authority, for the payment of the principal of and interest on bonds issued in aid of the project pursuant to sections 462.551, 462.581, or chapter 474, by the authority or by the governing body of the municipality or other state public body within whose corporate limits the project area is situated. Any such pledge for the payment of bonds issued by the governing body shall be made by written agreement executed on behalf of the authority and the governing body and filed with the county auditor. The estimated collections of the tax increments and any other revenues so pledged may be deducted from the taxes otherwise required to be levied before the issuance of the bonds under section 475.61, subdivision 1, or the collections thereof may be certified annually to reduce or cancel the initial tax levies in accordance with section 475.61, subdivision 3. When such an agreement is made and filed, the bonds may be issued by the governing body in the same manner and subject only to the same conditions as those provided in chapter 475 for bonds financing improvement costs reimbursable from special assessments. *Bonds shall not be issued nor tax increments or other revenues pledged pursuant to this subdivision subsequent to the effective date of the tax increment financing act.*

Sec. 21. Minnesota Statutes 1976, Section 472A.06, is amended to read:

472A.06 [ISSUANCE OF BONDS.] The governing body of the

municipality, may authorize, issue and sell general obligation bonds, which shall mature within 30 years from the date of issue, to finance the acquisition and betterment of real and personal property needed to carry out the development program within the development district together with all relocation costs incidental thereto in accordance with sections 475.51, 475.53, 475.54, 475.55, 475.56, 475.60, 475.61, 475.62, 475.63, 475.65, 475.66, 475.69, 475.70, 475.71. All tax increments received by the municipality pursuant to section 472A.08 shall be pledged for the payment of these bonds and used to reduce or cancel the taxes otherwise required to be extended for that purpose, and the bonds shall not be included when computing the municipality's net debt. *Bonds shall not be issued under this section subsequent to the effective date of the tax increment financing act.*

Sec. 22. Minnesota Statutes 1976, Section 472A.07, is amended by adding a subdivision to read:

Subd. 5. The provisions of this section shall not apply to a development district certification of which is requested subsequent to the effective date of the tax increment financing act.

Sec. 23. Minnesota Statutes 1976, Section 472.08, is amended by adding a subdivision to read:

Subd. 6. The provisions of this section shall not apply to a development district, certification of which is requested subsequent to the effective date of the tax increment financing act.

Sec. 24. Minnesota Statutes 1976, Section 473F.02, Subdivision 3, is amended to read:

Subd. 3. "Commercial-industrial property" means the following categories of property, as defined in section 273.13, excluding that portion of such property (a) which may, by law, constitute the tax base for a tax increment pledged pursuant to sections 462.585 or 474.10, *tax increment financing district certification of which was requested prior to the effective date of the tax increment financing act* to the extent and while such tax increment is so pledged; (b) which may, by law, constitute the tax base for tax revenues set aside and paid over for credit to a sinking fund pursuant to direction of the city council in accordance with Laws 1963, Chapter 881, as amended, to the extent that such revenues are so treated in any year; or (c) which is exempt from taxation pursuant to section 272.02:

(a) That portion of class 3 property consisting of stocks of merchandise and furniture and fixtures used therewith; manufacturers' materials and manufactured articles; and tools, implements and machinery, whether fixtures or otherwise.

(b) Class 3h property.

(c) Class 3j property.

(d) That portion of class 4 property which is either used or zoned for use for any commercial or industrial purpose, except for such property which is, or, in the case of property under construc-

tion, will when completed be used exclusively for residential occupancy and the provision of services to residential occupants thereof. Property shall be considered as used exclusively for residential occupancy only if each of not less than 80 percent of its occupied residential units is, or, in the case of property under construction, will when completed be occupied under an oral or written agreement for occupancy over a continuous period of not less than 30 days.

If the classification of property prescribed by section 273.13 is modified by legislative amendment, the references in this subdivision shall be to such successor class or classes of property, or portions thereof, as embrace the kinds of property designated in this subdivision.

(e) That property valued and assessed under section 273.13, subdivision 14.

Sec. 25. Minnesota Statutes 1976, Section 474.10, Subdivision 2, is amended to read:

Subd. 2. Any municipality or redevelopment agency may request the county auditor of the county in which a project is situated to certify the original taxable value of the real property included therein and the tax increments realized each year after the commencement of the project, as defined in section 462.585, and provided in the tax increment financing act. The municipality or redevelopment agency shall be entitled to receive, use, and pledge such tax increments for the further security of the revenue bonds issued to finance the project, in either of the following ways:

(1) To pay premiums for insurance guaranteeing the payment of net rentals when due under the project lease; or

(2) To accumulate and maintain a reserve securing the payment when due of the principal of and interest on the bonds.

Sec. 26. Minnesota Statutes 1976, Chapter 465, is amended by adding a section to read:

[465.011] [USE OF EMINENT DOMAIN FOR REDEVELOPMENT.] *Subdivision 1. [PURPOSE.] Acquiring real property for development or redevelopment to make that property economically useful and beneficial to the community is declared to be in the public interest and necessary to the public welfare, and the taking of private property for the purpose of redevelopment is declared to be for a public use and purpose.*

Subd. 2. [ACQUISITION AND CONVEYANCE.] A municipality may acquire any land not owned by the state or devoted to a public purpose if the governing body of the municipality finds that the property is needed for the development or redevelopment of the municipality. The municipality may exercise the right of eminent domain in accordance with the provisions of Minnesota Statutes, Chapter 117, for that purpose. If the governing body of the municipality agrees to exercise its power of eminent domain on behalf of the developer, the municipality may convey the land

acquired by the exercise of the power of eminent domain to an applicant whose plan for the development or redevelopment of the property has been approved by the governing body of the municipality pursuant to subdivision 3. The property shall be conveyed for a consideration not less than the amount of the award in condemnation plus the cost of the condemnation proceedings incurred by the city.

Subd. 3. [APPLICATION BY DEVELOPER.] Before the municipality may proceed to exercise the right of eminent domain, it shall approve a plan for the development or redevelopment of that property. In the plan, the applicant shall identify the property he is seeking to obtain, describe his plan for the development of the property and the extent of his operations in the vicinity to date, including the identity of other parcels he has purchased or easements he has obtained, and the amount invested in them. The plan for the property shall include the objectives for its development, the nature of the proposed improvement, and the cost of the project.

Sec. 27. [REPEALER.] Minnesota Statutes 1976, Sections 458.192, Subdivision 12; 462.545, Subdivision 5; 472A.07, Subdivision 4; and 472A.08, Subdivisions 4 and 5, are repealed.

Sec. 28. [EFFECTIVE DATE.] This act is effective the day following final enactment."

Further, amend the title as follows:

Line 2, strike "creating special districts"

Strike lines 3 to 12 and insert

"providing for the use of tax increment financing or redevelopment, housing and economic development projects; establishing standards and procedures for its use; authorizing municipalities to exercise right of eminent domain to acquire land for redevelopment and to defer property taxes on redeveloped property; amending Minnesota Statutes 1976, Chapters 273, by adding sections; and 465, by adding a section; and Sections 458.192, Subdivision 11; 462.585, Subdivisions 1 and 4; 472A.06; 472A.07, by adding a subdivision; 472A.08, by adding a subdivision; 473F.02, Subdivision 3; and 474.10, Subdivision 2; repealing Minnesota Statutes 1976, Sections 458.192, Subdivision 12; 462.545, Subdivision 5; 472A.07, Subdivision 4; and 472A.08, Subdivisions 4 and 5."

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

Mr. McCutcheon from the Committee on Taxes and Tax Laws, to which was referred

S. F. No. 1766: A bill for an act relating to taxation; restricting certificate of value filing requirements to transfers of property made after 1977; amending Minnesota Statutes, 1977 Supplement, Section 272.115, Subdivisions 1 and 4.

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

Page 1, line 11, after "sold" insert "*on or after January 1, 1978*"

Page 1, line 14, strike "within 30 days from"

Page 1, line 15, strike "the date of the sale,"

Page 1, lines 16-19, strike the new language

Page 2, line 7, strike "purchaser under a contract for deed"

Page 2, line 7, strike "*entered into after*"

Page 2, line 8, strike "*December 31, 1977*" and insert "*real estate sold on or after January 1, 1978 for which a certificate of value is required pursuant to subdivision 1*"

Page 2, line 13, strike "on that contract for deed"

Page 2, line 17, strike "In the case of property sold under a contract for"

Page 2, strike lines 18 and 19

Page 2, after line 19, insert:

"Sec. 3. [EFFECTIVE DATE.] This act is effective for property sold January 1, 1978 and thereafter."

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

Mr. Hughes from the Committee on Education, to which was referred

S. F. No. 1594: A bill for an act relating to education; pupils; providing for a universal school breakfast program in each district.

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

Page 1, line 7, after "1." insert "Subdivision 1."

Page 1, line 7, strike "act" and insert "section"

Page 1, line 9, strike "Sec." and insert "Subd."

Amend the title as follows:

Page 1, line 2, strike "providing for" and insert "requiring"

Page 1, line 3, strike "universal"

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

Mr. Hughes from the Committee on Education, to which was referred

S. F. No. 1933: A bill for an act relating to education; higher education coordinating board; providing for a statewide testing program; appropriating money.

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

Page 1, line 9, after "state" insert "who desire to participate in"

Page 2, line 7, strike "(a)." and insert "Subdivision 1."

Page 2, line 14, after the comma insert "the Minnesota school boards association,"

Page 2, line 20, after the period insert "The expiration of this advisory task force and the terms, compensation and removal of its members shall be as provided in section 15.059, subdivision 6."

Page 2, line 21, strike "(b)" and insert "Subd. 2."

Page 2, line 25, strike "(c)" and insert "Subd. 3."

Page 2, line 32, after "students" insert ", who desire to participate in the program,"

Page 3, line 2, after "of" insert "sections 1 to 4 of"

Amend the title as follows:

Page 1, line 4, strike "testing" and insert "career guidance"

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

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 1704: A bill for an act relating to the city of Minneapolis; establishing a program setting aside a portion of services and materials for small businesses; regulating bid and performance bonds for small businesses; amending Minnesota Statutes, 1977 Supplement, Section 574.262, Subdivision 1.

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

Page 1, line 21, after "*Minneapolis*," insert "*or the board of commissioners of the housing and redevelopment authority in and for the city of Minneapolis except as otherwise provided.*"

Page 1, line 23, after the period insert "*Where a federal program prohibits any geographical limitation on the principal place of business of an eligible business, in order for the city or authority to be eligible for funds, the federal requirement shall prevail.*"

Page 2, line 14, before the period insert "*for the three year period*"

Page 2, line 17, before the period insert "*for the three year period*"

Page 2, line 20, before the period insert "*for the three year period*"

Page 2, line 23, before the period insert "*for the three year period*"

Page 3, line 12, before "*may*" insert "*and the housing and redevelopment authority in and for the city of Minneapolis*"

Page 3, line 14, after "city" insert "or authority"

Page 3, line 18, before "may" insert "and the housing and re-development authority in and for the city of Minneapolis"

Page 3, line 22, after "city's" insert "or the authority's"

Page 4, line 1, after "city" insert "or the authority"

Page 4, line 7, before "may" insert "and the housing and re-development authority in and for the city of Minneapolis"

Page 4, line 19, after "matters" insert ", including Minnesota Statutes, Sections 177.41 to 177.44,"

Page 4, line 23, after "ordinance" insert ", and the housing and re-development authority in and for the city of Minneapolis shall promulgate by regulation,"

Page 4, line 31, after "eligibility" insert ", specifically whether a business is a small business or is owned and operated by a socially or economically disadvantaged person,"

Page 4, line 32, after "city" insert "or the authority"

Page 5, strike lines 2 to 22

Renumber the remaining section

Amend the title as follows:

Page 1, line 3, after "Minneapolis" insert "and the housing and re-development authority in and for the city of Minneapolis"

Page 1, line 5, strike the semicolon and insert a period

Page 1, line 5, strike "regulating bid and"

Page 1, strike lines 6 to 8

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

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 1864: A bill for an act relating to state employees; improving testing procedures; tightening provisions relating to provisional appointments; providing for a pilot reliability-based band width certification program; appropriating money; amending Minnesota Statutes 1976, Sections 43.13, by adding a subdivision; and 43.20, Subdivision 2.

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

Page 1, after line 10, insert:

"Section 1. Minnesota Statutes 1976, Section 43.13, Subdivision 1, is amended to read:

43.13 [EXAMINATIONS.] Subdivision 1. [FAIR TESTS;

RECORDS.] All examinations for positions in the classified service shall relate to those matters which will fairly test the capacity and fitness of the persons examined to efficiently discharge the duties of the office or employment position sought by them. Each applicant in an oral examination shall be rated individually by each examiner who shall sign his rating of the applicant. The average of the examiners, examiners' separate ratings, if more than one examiner conducts the oral examinations, is the applicant's oral examination rating. The appointing authority may pay reasonable travel expenses actually incurred to applicants invited for oral examinations for those positions where unusual difficulty in recruiting qualified applicants is being encountered."

Page 1, line 20, strike " open-competitive basis an "

Page 2, line 13, strike " 1 " and insert " 2 "

Page 2, line 17, strike " 4 " and insert " 15 "

Page 2, line 18; strike " additional " and insert " additional "

Page 2, after line 19, insert:

"Sec. 4. Minnesota Statutes 1976, Section 43.14, Subdivision 1, is amended to read:

43.14 [EXAMINATION REFUSED; APPEAL; BOND.] Subdivision 1. [REASONS FOR REFUSAL.] The commissioner may refuse to examine an applicant, or after examination may refuse to certify an eligible, who is found to lack any of the preliminary requirements established for the examination for the position or employment for which he applies; or who is physically so disabled as to be rendered unfit for the proper performance of the duties of the position to which he seeks appointment; or who is addicted to habit-forming drugs or is an habitual user of intoxicating liquors to excess; or who has been guilty of any crime involving moral turpitude or of infamous or notoriously disgraceful conduct; or who has been dismissed from the public service for delinquency or misconduct; or who has made a false statement of any material fact; or who, directly or indirectly, shall give, render or pay, or promise to give, render or pay, any money, service or other valuable thing to any person for, or on account of, or in connection with, his test, appointment, or proposed appointment; or who practiced, or attempted to practice, any deception or fraud in his application, in his certificate, in his examination, or in securing his eligibility or appointment; or who refuses to furnish testimony as required in section 43.07.

Sec. 5. Minnesota Statutes 1976, Section 43.18, is amended to read:

43.18 [VACANCIES.] Subdivision 1. [NOTICE.] Appointing officers authorities shall give written notice to the commissioner of personnel of their intention to establish new positions and of the existence of any vacancy to be filled in any office or employment in the classified service, and, within a reasonable time after the receipt of this notice, the commissioner shall certify, from the list of eligibles, appropriate for the grade and class in which the

position is classified, names in the manner as provided in this section.

Subd. 2. [PROMOTIONS.] In the case of positions to be filled by examinations other than open competitive examinations, the commissioner shall certify, from the list of eligibles, appropriate for the grade and class in which the position is classified, the first three names on such list together with any additional names of persons having an examination rating within three points of the person on the list with the highest examination rating and with any additional names of persons having the same score as the last name certified in accordance with the above, except as provided in sections 43.23 and 43.19, subdivision 1.

Subd. 3. [ORIGINAL ENTRY.] In the case of positions to be filled by open competitive examination, the commissioner shall certify the first ten names on the list together with any additional names of persons having the same score as the tenth name so certified. Appointments from the list shall only be made from the first ten available eligibles names so certified. The commissioner shall promulgate rules so that a determination of unavailability by an appointing authority will be based on a statement of unavailability from the eligible or lack of response by the eligible to notification by certified mail of the open position. Before requesting a recertification based on unavailability or rejection of an eligible, the appointing authority shall demonstrate the unavailability of an eligible or shall provide reasons for requesting the removal of an eligible's name from the certification.

Subd. 4. [APPOINTMENT; PROBATION.] The appointing officer authority shall appoint on probation, with sole reference to merit and fitness, one of the said candidates, whose name is certified in the manner above set forth, to fill such vacancy, except as provided in section 43.23. Seniority in length of service shall also be one of the factors in an appointment in the manner as provided by personnel rule. The provisions of this section shall not apply when the office or employment situation is among those listed in section 43.20, for which competitive examinations are not required.

Sec. 6. Minnesota Statutes 1976, Section 43.19, Subdivision 1, is amended to read:

43.19 [VACANCIES; PROMOTIONS; DISMISSALS.] Subdivision 1. [VACANCIES FILLED BY PROMOTION.] (1) Vacancies in positions shall be filled, so far as practicable, by promotion from among persons holding positions in the classified service, and, subject to such exceptions as the commissioner may provide, from the lower class or group within the particular classification, and in accordance with section 43.18 and personnel rules. Except as provided in clause (2), promotions shall be based upon merit and fitness, to be ascertained by competitive examinations in which the employee's efficiency, character, and job-related conduct shall all constitute a factor. For positions defined by personnel rule as "non-managerial" seniority shall also constitute a factor.

(2) The commissioner may authorize the appointing authority of any state office or department agency to promote any employee in that office or department agency to a position of *in* a higher grade or class requiring peculiar and exceptional qualifications of an administrative, scientific, professional, or expert character, following a non-competitive examination, which shall be practical and shall involve only the duties of the position.

(3) The commissioner shall give the non-competitive examinations provided for in clause (2) upon request of any appointing authority, in accordance with personnel rules."

Page 2, line 30, strike "Before" and insert "When"

Page 2, line 31, strike "give"

Page 2, strike line 32, and insert: "certify to the commissioner that he has determined that all persons on an incomplete appropriate list are unsuitable or unavailable for appointment."

Page 3, strike line 1

Page 3, lines 21 and 26, strike "permanent" and insert "probationary"

Page 3, line 23, strike "and if the commissioner"

Page 3, strike lines 24 and 25

Page 3, line 26, strike "not be successful"

Page 3, line 28, strike "a" and insert "the same" and strike "comparable to" and insert "as"

Page 3, after line 29, insert:

"Sec. 8. Minnesota Statutes 1976, Section 43.20, Subdivision 3, is amended to read:

Subd. 3. In case of an emergency, an appointment may be made without regard to the provisions of this chapter, but in no case shall it continue longer than ten working days, and in no case shall successive emergency appointments be made; this provision shall apply to both persons and positions; and no person shall receive more than three emergency appointments in any one or different positions within one year any 12 month period.

Sec. 9. Minnesota Statutes 1976, Section 43.20, Subdivision 5, is amended to read:

Subd. 5. Where the services to be rendered by an appointee are for a temporary period not to exceed six months, the commissioner shall certify from an eligible list for the temporary service any person he deems qualified; the acceptance or refusal by an eligible of a temporary appointment shall not affect his standing on the register for permanent employment, nor shall the period of temporary service be counted as a part of the probationary period in case of subsequent appointment to a permanent position. No person shall receive more than one temporary appointment within one year. No temporary appointment shall exceed six months except

to fill a vacancy created by an approved leave of absence not to exceed one year or where the commissioner grants an extension of temporary appointment to the maximum of one year in the best interests of the state.

Sec. 10. Minnesota Statutes 1976, Section 43.20, is amended by adding a subdivision to read:

Subd. 7. Where the position to be filled is of a routine, service nature involving unskilled tasks, the performance of which cannot be directly related to qualifications beyond a minimum competency level, the commissioner may authorize the administration of a basic qualifying selection process designed to ascertain which candidates could perform the tasks of the job in a satisfactory manner. Any candidate found so qualified may be certified and appointed to such a position.

Sec. 11. Minnesota Statutes 1976, Section 43.32, Subdivision 11, is amended to read:

Subd. 11. [REVIEW OF TRAINING PLANS.] The head of each department shall be responsible, with the advice and counsel of the commissioner, for planning, budgeting and conducting training programs within the scope of the overall training plan. He shall submit his training plans and budgets for each year of the biennium to the commissioner for review and comment prior to the implementation of any program, but in any case no later than six weeks after the budget appropriations are approved.

For purposes of training, the commissioner may accept funds from any source and may be reimbursed by the various departments for reasonable program cost. *Monies transferred to the commissioner pursuant to this subdivision are appropriated to the commissioner to perform training functions as provided herein.*

Sec. 12. Minnesota Statutes 1976, Section 43.327, Subdivision 1, is amended to read:

43.327 [TRAVEL AND RELOCATION EXPENSES.] Subdivision 1. [COMMISSIONER TO MAKE RULES ON RELOCATION.] The commissioner shall make personnel rules relating to the expenses of moving state officers and employees, their families and household goods to new stations, subsistence, realtor fees, and such other expenses as may be incident to assignment to such stations.

Sec. 13. Minnesota Statutes 1976, Section 43.327, Subdivision 2, is amended to read:

Subd. 2. [COMMISSIONER TO MAKE RULES ON TRAVEL.] The commissioner shall make personnel rules relating to travel of state officers and employees on state business and expenses incurred thereon. *When unusual difficulty in recruiting qualified applicants is being encountered the commissioner may authorize the appointing authority to pay travel expenses incurred by applicants invited for oral examinations or for employment interviews in the same manner and amounts authorized by personnel rules for state employees.*

Sec. 14. Minnesota Statutes 1976, Section 43.491 is amended by adding a subdivision to read:

Subd. 5. Notwithstanding the restrictions contained in section 43.44, subdivision 2, a state employee who retires prior to age 65 and who is eligible for, applies for and receives an annuity under a state retirement program shall be eligible to continue to participate at his own expense in the hospital benefits coverage and medical benefits coverage provided for other state employees by sections 43.42 to 43.50. The retired employee may also, at his own expense, continue hospital benefits coverage and medical benefits coverage for his dependents who meet the general dependent eligibility requirements for those coverages. The coverage may be maintained until the employee and the employee's spouse each become eligible for medicare. Within 30 days after the effective date of this section or within 30 days after the effective date of his retirement, whichever day is later, the employee shall notify the commissioner or his designee of his intention to continue the coverage. The commissioner shall establish forms and procedures for exercise of the option provided by this section and for payment of necessary premiums."

Page 4, line 4, strike "expected"

Page 4, lines 4 and 5, strike "open to competitive examination" and insert "filled"

Page 4, line 8, after "must" insert "be expected to have vacancies to be filled by open competitive examination in that upcoming year and must"

Page 4, lines 21, 27 and 32, strike "certified"

Page 4, lines 21 and 27, after "list of" insert "certified"

Page 4, line 32, after "list" insert "of certified eligibles"

Page 5, lines 8, 10 and 22, strike "certified"

Page 5, line 8, after "list" insert "of certified eligibles"

Page 5, line 9, after "Names" insert "of certified eligibles"

Page 5, line 23, after "of" insert "certified"

Page 6, line 8, after "rules" insert "and"

Page 6, after line 19, insert:

"Sec. 16. Minnesota Statutes, Chapter 43, is amended by adding a section to read:

[43.162] [VALIDITY OF APPLICATIONS.] *No person shall be appointed to a position in the civil service until the appointing authority has made reasonable effort to verify any information contained in the prospective employee's job application which relates to the ability of the person to perform the job. The commissioner shall establish procedures, which shall not be promulgated as rules, for use by an appointing authority in performing this verification function. Notice of the verification responsibilities of*

the appointing authority shall be conspicuously printed on all state employment application forms."

Page 7, line 7, strike "4" and insert "15"

Page 7, line 9, strike "1" and insert "2"

Page 7, line 15, after the period, insert "*Section 15 shall expire June 30, 1980. Procedures relating to examinations announced prior to May 1, 1978, shall be completed pursuant to law in effect on April 30, 1978. Certifications of eligibles in force on May 1, 1978, shall remain effective pursuant to law in effect on April 30, 1978.*"

Renumber the sections in sequence.

Amend the title as follows:

Line 6, after "program;" insert "altering certain requirements for appointment and benefit eligibility; establishing special procedures for filling certain positions; providing for modified reimbursements of costs;"

Line 7, after "43.13," insert "Subdivision 1, and"

Line 8, strike "and" and insert "43.14, Subdivision 1; 43.18; 43.19, Subdivision 1;"

Line 8, strike "Subdivision 2" and insert "Subdivisions 2, 3, 5, and by adding a subdivision; 43.32, Subdivision 11; 43.327, Subdivisions 1 and 2; 43.491, by adding a subdivision; and Chapter 43, by adding a section"

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

Mr. Olson from the Committee on General Legislation and Veterans Affairs, to which was re-referred

S. F. No. 1577: A bill for an act relating to the department of veterans affairs; establishing a nursing home for veterans in Hastings.

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

Strike everything after the enacting clause and insert:

"Section 1. [198.31] [VETERANS HOME, HASTINGS.] *Control of the state hospital facilities at Hastings is transferred to the commissioner of veterans affairs. This transfer includes the cemetery. The commissioner shall establish a 300-bed veterans home in these facilities. The veterans home shall be licensed in accordance with the boarding care rules of the department of health. To the extent practical, the veterans home at Hastings shall be operated in the same manner as provided for the Minnesota veterans home at Minneapolis by sections 198.001 to 198.265.*

Sec. 2. Minnesota Statutes, 1977 Supplement, Section 246.02, Subdivision 2, is amended to read:

Subd. 2. The commissioner of public welfare shall act with the advice of the medical policy directional committee on mental

health in the appointment and removal of the chief executive officers of the following institutions: Anoka State Hospital, Ah-Gwah-Ching Nursing Home, Fergus Falls State Hospital, Hastings State Hospital, Moose Lake State Hospital, Oak Terrace Nursing Home, Rochester State Hospital, St. Peter State Hospital, Willmar State Hospital, Faribault State Hospital, Cambridge State Hospital, and Brainerd State Hospital.

Sec. 3. [APPROPRIATION.] *Subdivision 1. The sum of \$1,178,380 is appropriated from the general fund to the commissioner of administration for the state share of costs of remodeling and improving the state hospital facilities at Hastings for use as a veterans home.*

Subd. 2. The sum of \$974,000 is appropriated from the general fund to the commissioner of veterans affairs for the state share of general operations and management of the veterans home at Hastings, to be available until June 30, 1979.

Sec. 4. [EFFECTIVE DATE.] *This act is effective May 1, 1978, except that the appropriation in section 3, subdivision 1, is available the day following final enactment.*

Further, amend the title as follows:

Page 1, line 3, strike "nursing"

Page 1, line 4, after "Hastings" insert "; appropriating money; amending Minnesota Statutes, 1977 Supplement, Section 246.02, subdivision 2"

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S. F. No. 1690: A bill for an act relating to the Minneapolis-Saint Paul metropolitan airports commission; providing a maximum amount and funding terms for commission debt; amending Minnesota Statutes 1976, Section 473.667, Subdivisions 2 and 4, and by adding a subdivision.

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

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

S. F. No. 1664: A bill for an act relating to state waters; establishing certain priorities for use of water in processing agricultural products; amending Minnesota Statutes, 1977 Supplement, Section 105.41, Subdivision 1a.

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

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

S. F. No. 1943: A bill for an act relating to forests; regulating the maintenance of fires therein; amending Minnesota Statutes 1976, Section 88.16; repealing Minnesota Statutes 1976, Section 88.17.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 88.01, is amended by adding a subdivision to read:

Subd. 23. [OPEN FIRE.] "Open fire" means a fire burning in matter, whether concentrated or dispersed, which is not contained within a fully enclosed firebox, structure or vehicle and from which the products of combustion are emitted directly to the open atmosphere without passing through an adequate stack, duct or chimney.

Sec. 2. Minnesota Statutes 1976, Section 88.10, is amended to read:

88.10 [FIGHTING FOREST FIRES, AUTHORITY OF STATE FOREST OFFICERS.] Subdivision 1. Under the direction of the commissioner, forest officers are charged with preventing and extinguishing forest fires in their respective districts and the performance of such other duties as may be required by him. They may arrest without warrant any person found violating any provisions of sections 88.03 to ~~88.21~~ 88.22, take him before a court of competent jurisdiction in the county charging the person so arrested, and the person so charged shall be arraigned and given a hearing on the complaint. The forest officers shall not be liable in civil action for trespass committed in the discharge of their duties. All authorized state forest officers, including rangers, guards, township fire wardens, smoke chasers, fire foremen or individuals legally employed as fire fighters, may in the performance of their duties of fire fighting go onto the property of any person, company, or corporation and in so doing may set backfires, dig or plow trenches, cut timber for clearing fire lines, dig water holes, remove fence wires to provide access to the fire or carry on all other customary activities necessary for the fighting of forest, prairie or brush fires without incurring a liability to anyone, except for damages arising out of wilful or gross negligence.

Subd. 2. Any forest officer may serve any warrant for the arrest of any person violating any provision of sections 88.03 to ~~88.21~~ 88.22 and for that purpose all forest officers are hereby vested with the same powers as constables or other similar officers of the courts issuing such warrants.

Sec. 3. Minnesota Statutes 1976, Section 88.16, is amended to read:

88.16 [STARTING FIRES; CAMPFIRE; INCINERATORS; BURNING BAN.] Subdivision 1. It shall be unlawful, when the ground is not snow covered, in any place where there are stand-

ing or growing native coniferous trees, or in areas of ground from which native coniferous trees have been cut, or where there are slashings of such trees, or native brush, timber, slashings thereof, or excavated stumps, or where there is peat or peat roots excavated or growing, to start or have any open fire, or any back fire, Except as authorized by subdivision 2, it shall be unlawful to start or have an open fire in a forest area without the written permission of the commissioner, or other authorized forest officer.

Subd. 2. No permit is required for the following open fires:

(a) A cooking or warming fire contained in a fireplace, firing, charcoal grill, portable gas or liquid fueled camp stove or other similar container or device designed for the purpose of cooking or heating, or if the area within a radius of five feet of the fire is reasonably clear of all combustible material.

(b) The burning of grass, leaves, rubbish, garbage, branches, and similar combustible material in an approved incinerator. An approved incinerator shall be constructed of fire resistant material, have a capacity of at least three bushels, be maintained with a minimum burning capacity of at least two bushels, and have a cover which is closed when in use and openings in the top or side of one inch maximum diameter. No combustible material shall be nearer than three feet to the burner or incinerator when in use.

(c) Any cooking or warming fire when the ground is covered with snow.

Subd. 2 3 . The occupant of any premises upon which any unauthorized fire is burning in the vicinity of forest lands, whether the fire was started by him or otherwise, shall promptly report the fire to the commissioner, or to the nearest forest officer or fire warden. Failure to make this report shall be deemed a violation of sections 88.03 to 88.21 88.22 and the occupant of the premises shall be deemed prima facie guilty of negligence if the unreported fire spreads from the premises to the damage, loss, or injury of the state or any person.

Sec. 4. Minnesota Statutes 1976, Section 88.17, is amended to read:

88.17 [PERMISSION TO START FIRES; PROSECUTION FOR UNLAWFULLY STARTING FIRES.] Subdivision 1. Permission to set fire to any grass, stubble, peat, brush, raking of leaves, rubbish, garbage, branches, slashings or woods for the purpose of cleanup, clearing and improving land or preventing other fire shall be given whenever the same may be safely burned, upon such reasonable conditions and restrictions as the commissioner may prescribe, to prevent same from spreading and getting beyond control. This permission shall be in the form of a written permit signed by a regular forest officer or some other suitable person to be designated by him, as town fire warden, these permits to be on forms furnished by the commissioner. The commissioner, or any of his authorized assistants, may at his discretion in cases of extreme danger refuse, revoke, or postpone the use of permits

to burn when such act is clearly necessary for the safety of life and property. Any person setting any fire or burning anything under such permit shall keep the permit on his person while so engaged and produce and exhibit the permit to any forest officer, when requested to do so. No permit is required for the burning of grass, leaves, rubbish, garbage, branches and similar combustible material under the following conditions: (1) The material shall be burned within an incinerator or burner constructed of fire resistant material having a capacity of not less than three bushels and maintained with a minimum burning capacity of not less than two bushels, a cover which is closed when in use, and maximum openings in the top or sides no greater than one inch in diameter; and (2) No combustible material shall be nearer than three feet to the burner or incinerator when it is in use.

Subd. 2. In any prosecution under sections 88.03 to 88.21 88.22 for unlawfully starting or setting or having or permitting the continuation or spread of any fire or back-fire, proof upon the part of the prosecution that such fire or back-fire originated upon, or was permitted to burn upon, or that it spread from, lands or premises occupied by the person charged with the offense, and that this person had knowledge of the fire and made no effort to put it out, shall be prima facie evidence that he is guilty. The burden of proof as to any matter in refutation of this prima facie guilt, or in extenuation or excuse, shall be and rest upon the person so appearing prima facie to be guilty.

Sec. 5. Minnesota Statutes 1976, Section 88.22, is amended to read:

88.22 [FOREST FIRE PREVENTION; CLOSING FOREST ROADS AND TRAILS; PROHIBITING OPEN FIRES AND SMOKING; REGULATING PRIVATE AND PUBLIC DUMPING AREAS; PENALTIES.] *Subdivision 1.* When the commissioner of natural resources shall determine that conditions conducive to forest fire hazards exist in the forest areas of the state and that the presence of persons in the forest areas tends to aggravate forest fire hazards, render forest trails impassable by driving thereon during wet seasons and hampers the effective enforcement of state timber trespass and game laws, he may by written order, close any road or trail leading into any land used for any conservation purposes, to all modes of travel except that considered essential such as residents traveling to and from their homes or in other cases to be determined by the authorized forest officers assigned to guard the area. The commissioner may also, upon such determination, by written order, prohibit the building of all campfires except by permit issued by an authorized officer suspend the issuance of permits for open fires, revoke or suspend the operation of a permit previously issued and, to the extent he deems necessary, prohibit the building of all or some kinds of open fires in all or any part of a forest area regardless of whether a permit is otherwise required; and the commissioner also may, by written order, prohibit smoking except at places of habitation or automobiles or other enclosed vehicles properly equipped with an efficient ash tray.

Subd. 2. The commissioner may close any public or private dumping area, by posting such area as closed to dumping, whenever he deems it necessary for the prevention of forest fires. Thereafter no person shall deposit refuse of any kind within or adjacent to such closed area, or along the road leading thereto.

The commissioner shall establish such minimum standards governing public and private dumping areas as he deems necessary for the prevention of forest fires.

Subd. 3. Any violations of this section shall constitute a misdemeanor.

Sec. 6. Minnesota Statutes 1976, Section 88.73, is amended to read:

88.73 [ADMINISTRATION; DELEGATED POWERS AND DUTIES.] The director is hereby empowered and directed to administer and enforce sections 88.03 to ~~88.21~~ 88.22 ; and, to that end, he may make and enforce all necessary or convenient rules and regulations not inconsistent with the provisions and purposes of these sections. In every case the powers delegated to, and the duties imposed upon, the director, and other state or municipal representatives by sections 88.03 to ~~88.21~~ 88.22 shall be exercised and performed in good faith, without undue oppression, and in a manner as reasonable as the exigencies of the situation will permit.

Nothing in sections 88.03 to ~~88.21~~ 88.22 shall be construed as abrogating the laws specifically governing state parks or other public parks, or state or municipal forests. The provisions of all such laws and of sections 88.03 to ~~88.21~~ 88.22 shall be harmonized and both given effect wherever possible.

Nothing in sections 88.03 to ~~88.21~~ 88.22 shall be construed as restricting the state, or any political subdivision thereof, in the exercise of any power, right, or privilege which may be conferred by separate enactment of the legislature under authority of the so-called forest fire prevention amendment to the State Constitution, approved by vote of the electors of this state at the general election held in November, 1924.

Sec. 7. Minnesota Statutes 1976, Section 88.75, Subdivision 1, is amended to read:

88.75 [VIOLATIONS; PENALTIES.] Subdivision 1. Any person who violates any of the provisions of sections 88.03 to ~~88.21~~ 88.22 for which no specific penalty is therein prescribed shall be guilty of a misdemeanor and be punished accordingly.

Failure by any person to comply with any provision or requirement of sections 88.03 to ~~88.21~~ 88.22 to which such person is subject shall be deemed a violation thereof.

Any person who violates any provisions of sections 88.03 to ~~88.21~~ 88.22 , in addition to any penalties therein prescribed, or hereinbefore in this section prescribed, for such violation, shall also be liable in full damages to any and every person suffering

loss or injury by reason of such violation, including liability to the state, and any of its political subdivisions, for all expenses incurred in fighting or preventing the spread of, or extinguishing, any fire caused by, or resulting from, any violation of these sections. When a fire set by any person spreads to and damages or destroys property belonging to another, the person setting the fire shall be prima facie guilty of negligence in setting and allowing the same to spread.

At any time the state, or any political subdivision thereof, either of its own motion, or at the suggestion or request of the director, may bring an action in any court of competent jurisdiction to restrain, enjoin, or otherwise prohibit any violation of sections 88.03 to ~~88.21~~ 88.22, whether therein described as a crime or not, and likewise to restrain, enjoin, or prohibit any person from proceeding further in, with, or at any timber cutting or other operations without complying with the provisions of those sections, or the requirements of the director pursuant thereto; and the court may grant such relief, or any other appropriate relief, whenever it shall appear that the same may prevent loss of life or property by fire, or may otherwise aid in accomplishing the purposes of sections 88.03 to ~~88.21~~ 88.22.

Sec. 8. Minnesota Statutes 1976, Section 88.76, is amended to read:

88.76 [REWARDS.] Upon conviction of any person for violating any of the provisions of sections 88.03 to ~~88.21~~ 88.22, the director, at his discretion, may pay, from any money placed at his disposal under those sections, a reward of not more than \$25 to the person or persons giving the information leading to such conviction.

Sec. 9. Minnesota Statutes 1976, Section 88.77, is amended to read:

88.77 [DISPOSAL OF FINES AND PENALTIES.] Except as otherwise expressly provided in sections 88.03 to ~~88.21~~ 88.22, all moneys received as penalties for violations of the provisions of those sections, less the cost of collection, shall be paid into the treasury of the county in which the penalties for these violations were imposed; provided, that fines collected for violations of those sections, where prosecutions are instituted upon the complaint of town or city officers duly appointed by the director as fire wardens, shall be paid into the treasury of the town or city where the offense was committed.

Sec. 10. Minnesota Statutes 1976, Section 88.78, is amended to read:

88.78 [APPEALS.] No appeal shall be allowed from a judgment in any court of a justice of the peace, or a municipal court, or other similar court, to the district court in any prosecution under sections 88.03 to ~~88.21~~ 88.22, unless the person appealing shall, within the time prescribed by law, enter into a recognizance, with sufficient sureties, or deposit cash bail in twice the amount of the fine and costs, to be approved by the justice, conditioned to appear

before the district court on the first day of the next general term thereof to be held in and for the same county, and abide the judgment of the court therein.

The justice or judge may examine the proposed sureties under oath and, in such case, shall make and keep a record of their answers in respect to the kinds and amount of their property not exempt from execution, and he shall furnish a copy of the same to the director.

When an arrest shall have been made for violation of any of the provisions of sections 88.03 to ~~88.21~~ 88.22, or when information of such violation shall have been lodged with him, the county attorney of the county in which the offense was committed shall prosecute the accused with diligence and energy.

Sec. 11. [EFFECTIVE DATE.] *This act is effective the day following its final enactment.* "

Amend the title as follows:

Line 4, strike "Section" and insert "Sections 88.01, by adding a subdivision; 88.10;"

Line 4, strike "repealing Minnesota Statutes 1976,"

Line 5, strike "Section"

Line 5, after "88.17" insert "; 88.22; 88.73; 88.75, Subdivision 1; 88.76; 88.77; and 88.78"

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

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 2077: A bill for an act relating to public health; authorizing the contractual provision of statutorily prescribed public health services by the commissioner of health; modifying the definition of child in the maternal and child nutrition act; increasing the commissioner's rule-making authority regarding children's camps; expanding scope of functions that may be performed by local health agencies; amending Minnesota Statutes 1976, Sections 144.74; 145.031, Subdivision 1; 145.55, Subdivision 1; 145.892; 145.893; 145.918, Subdivision 2; and Chapter 144, by adding a section; repealing Minnesota Statutes 1976, Sections 12.56; 12.57; and 144.146, Subdivision 2.

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

Page 2, strike all of section 2

Page 3, line 23, strike "Such" and insert "The"

Page 3, line 24, strike "and regulations"

Page 6, line 24, after the period insert "Section 1 shall be effective until July 1, 1980."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after the semicolon, strike the remaining language

Page 1, strike line 7

Page 1, line 8, strike "children's camps;"

Page 1, line 10, strike "144.74;"

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

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 1835: A bill for an act relating to public health; allowing a parent or guardian to refuse certain immunizations for a child or ward on conscientious grounds; amending Minnesota Statutes 1976, Section 123.70, Subdivisions 1 and 2.

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

Page 2, line 1, after "a" insert "*sworn and notarized*"

Page 2, line 5, before the semicolon insert "*or because of the conscientiously held beliefs of the parent or guardian*"

Page 2, strike lines 6 to 8

Page 2, line 9, strike "*guardian ;*"

Page 2, line 10, strike the new language and reinstate the stricken language

Page 2, line 16, strike "(5)" and insert "(4)"

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

Mr. Coleman from the Subcommittee on Bill Scheduling, to which were referred

S. F. Nos. 1428, 1752, 1888, 1886, 1955, 1693, 1643, 1787, 1842 makes the following report:

That S. F. Nos. 1752, 1888, 1886, 1955, 1693, 1643, 1787, 1842 be placed on the General Orders Calendar in the order indicated.

That S. F. No. 1428 is being retained in the Subcommittee pending further study.

That there were no other bills before the Subcommittee on which floor action was requested. Report adopted.

SECOND READING OF SENATE BILLS

S. F. Nos. 1786, 1495, 1891, 1766, 1704, 1690, 1664, 1943, 2077 and 1835 were read the second time and referred to the Sub-

committee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. No. 1191 was read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS

Mr. Keefe, S. moved that the name of Mr. Borden be added as co-author to S. F. No. 1618. The motion prevailed.

Mr. Chmielewski moved that S. F. No. 1973 be withdrawn from the Committee on Rules and Administration and re-referred to the Committee on General Legislation and Veterans Affairs. The motion prevailed.

Mrs. Brataas introduced—

Senate Concurrent Resolution No. 10: A senate concurrent resolution urging the Food and Drug Administration and the National Cancer Institute to proceed with scientific testing of laetrite on terminally ill humans.

Referred to the Committee on Rules and Administration.

Mr. Laufenburger moved that H. F. No. 1180 and the Conference Committee Report thereon be taken from the table. The motion prevailed.

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1180

A bill for an act relating to financial institutions; permitting the establishment and operation of electronic funds transfer facilities; prescribing the powers and duties of the commissioner of banks in relation to funds transfer facilities; protecting the privacy and security of customers of financial institutions who use electronic funds transfer facilities; prescribing penalties.

February 3, 1978

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 1180, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that the bill be amended as follows:

Page 5, line 11, delete "January 1" and insert "March 1"

Page 11, line 12, after "act" insert "of 1968, P. L. 90-389,"

Page 11, line 24, after "necessary" insert "to restrict disclosure of information to that necessary to complete the transaction and"

Page 12, line 2, after "wrongful" insert "and unnecessary"

Page 12, line 23, after "liable" insert ", subject to a maximum liability of \$50,"

Page 12, line 25, delete ", subject to a maximum liability of \$50"

Page 13, after line 29, insert:

"Nothing in sections 1 to 14 shall operate or be construed to create an exception to the antitrust laws of the United States for any contract or combination required or authorized by this act."

Page 15, lines 21 and 22, delete "January 1, 1978, except that the rule making power granted to the commissioner is effective"

Page 15, line 23, delete "of this act"

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

House Conferees: (Signed) Walter R. Hanson, John Corbid, Douglas R. Ewald

Senate Conferees: (Signed) Roger Laufenburger, William G. Kirchner, Steve Keefe

Mr. Laufenburger moved that the foregoing recommendations and Conference Committee Report on H. F. No. 1180 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

H. F. No. 1180: A bill for an act relating to financial institutions; permitting the establishment and operation of electronic funds transfer facilities; prescribing the powers and duties of the commissioner of banks in relation to funds transfer facilities; protecting the privacy and security of customers of financial institutions who use electronic funds transfer facilities; prescribing penalties.

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

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

The roll was called, and there were yeas 59 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Dunn	Hanson	Keefe, S.
Ashbach	Chenoweth	Engler	Hughes	Kirchner
Bang	Coleman	Frederick	Jensen	Kleinbaum
Benedict	Davies	Gearty	Johnson	Knaak
Bernhagen	Dieterich	Gunderson	Keefe, J.	Knoll

Knutson	Merriam	Perpich	Sieloff	Stumpf
Laufenburger	Moe	Peterson	Sikorski	Tennesen
Lessard	Nelson	Pillsbury	Sillers	Ueland, A.
Lewis	Ogdahl	Purfeerst	Solon	Ulland, J.
Luther	Olhoft	Schmitz	Spear	Vega
McCutcheon	Olson	Schrom	Staples	Wegener
Menning	Penny	Setzepfandt	Stankowski	

Messrs. Chmielewski, Strand and Willet voted in the negative.

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

THIRD READING OF SENATE BILLS

S. F. No. 1758: A bill for an act relating to the department of transportation; permitting the commissioner of transportation to designate primary and alternate routes for the Great River Road; deleting the statutory route; removing duty of the commissioner to maintain the road; amending Minnesota Statutes 1976, Sections 161.142 and 161.148, Subdivisions 1, 2 and 3; repealing Minnesota Statutes 1976, Section 161.148, Subdivision 4.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 7, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knoll	Penny	Solon
Ashbach	Gearty	Laufenburger	Perpich	Spear
Bang	Gunderson	Lewis	Peterson	Staples
Benedict	Hanson	Luther	Pillsbury	Stokowski
Bernhagen	Hughes	McCutcheon	Purfeerst	Strand
Brataas	Jensen	Menning	Schmitz	Stumpf
Chenoweth	Keefe, J.	Merriam	Schrom	Tennesen
Chmielewski	Keefe, S.	Nelson	Setzepfandt	Ueland, A.
Coleman	Kirchner	Ogdahl	Sieloff	Ulland, J.
Davies	Kleinbaum	Olhoft	Sikorski	Vega
Dieterich	Knaak	Olson	Sillers	Wegener

Those who voted in the negative were:

Dunn	Johnson	Lessard	Moe	Willet
Frederick	Knutson			

So the bill passed and its title was agreed to.

S. F. No. 1727: A bill for an act relating to state parks; deleting certain lands from the boundaries of Itasca state park; amending Laws 1976, Chapter 110, Section 2.

With the unanimous consent of the Senate, Mr. Moe moved to amend S. F. No. 1727 as follows:

Page 2, line 19, strike "Southwest" and insert "Southeast"

The motion prevailed. So the amendment was adopted.

S. F. No. 1727 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 60 and nays 1, as follows:

Those who voted in the affirmative were:

Ashbach	Gerty	Knutson	Olson	Solon
Bang	Gunderson	Laufenburger	Penny	Spear
Benedict	Hanson	Lessard	Perpich	Staples
Bernhagen	Hughes	Lewis	Pillsbury	Stokowski
Brataas	Jensen	Luther	Purfeerst	Strand
Chenoweth	Johnson	McCutcheon	Renneke	Stumpf
Chmielewski	Keefe, J.	Menning	Schmitz	Tennessee
Coleman	Keefe, S.	Merriam	Schrom	Ueland, A.
Davies	Kirchner	Moe	Setzepfandt	Ulland, J.
Dunn	Kleinbaum	Nelson	Sieloff	Vega
Engler	Knaak	Ogdahl	Sikorski	Wegener
Frederick	Knoll	Olhoft	Sillers	Willet

Mr. Dieterich voted in the negative.

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

CONSENT CALENDAR

S. F. No. 1959: A bill for an act relating to towns; providing for supervisors to control legal actions; amending Minnesota Statutes 1976, Sections 365.10; 365.40; and 366.01, 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 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Laufenburger	Penny	Staples
Ashbach	Gerty	Lessard	Perpich	Stokowski
Bang	Gunderson	Lewis	Peterson	Strand
Benedict	Hughes	Luther	Pillsbury	Stumpf
Bernhagen	Jensen	McCutcheon	Purfeerst	Tennessee
Brataas	Johnson	Menning	Renneke	Ueland, A.
Chenoweth	Keefe, J.	Merriam	Schmitz	Ulland, J.
Chmielewski	Keefe, S.	Moe	Schrom	Vega
Coleman	Kirchner	Nelson	Setzepfandt	Wegener
Davies	Kleinbaum	Nichols	Sieloff	Willet
Dieterich	Knaak	Ogdahl	Sikorski	
Dunn	Knoll	Olhoft	Sillers	
Engler	Knutson	Olson	Spear	

So the bill passed and its title was agreed to.

S. F. No. 1699: A bill for an act relating to the town of Little Falls; allowing the town to contract for the lighting of town roads; allowing reimbursement for electrical service costs; providing for special assessments.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Gearty	Laufenburger	Perpich	Staples
Bang	Gunderson	Lessard	Peterson	Stokowski
Benedict	Hanson	Lewis	Pillsbury	Strand
Bernhagen	Hughes	Luther	Purfeerst	Stumpf
Brataas	Jensen	McCutcheon	Renneke	Tennesen
Chenoweth	Johnson	Menning	Schmitz	Ueland, A.
Chmielewski	Keefe, J.	Merriam	Schrom	Ulland, J.
Coleman	Keefe, S.	Moe	Setzepfandt	Vega
Davies	Kirchner	Nelson	Sieloff	Wegener
Dieterich	Kleinbaum	Nichols	Sikorski	Willet
Dunn	Knaak	Ogdahl	Sillers	
Engler	Knoll	Olson	Solon	
Frederick	Knutson	Penny	Spear	

So the bill passed and its title was agreed to.

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to take up the General Orders Calendar. The motion prevailed.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Gearty in the chair.

After some time spent therein, the committee arose, and Mr. Gearty reported that the committee had considered the following:

S. F. No. 1073 which the committee recommends to pass.

S. F. No. 1720 which the committee reports progress, subject to the following motions:

Mr. Olson moved to amend S. F. No. 1720 as follows:

Page 2, line 2, before "This" insert "*In any area south of U. S. Highway No. 7, it shall not be unlawful to leave decoys in public waters between sunset and one hour before sunrise if there is not a natural growth of weeds, rushes, flags, or other vegetation growing in the water sufficient to partially conceal a hunter or boat.*"

The motion prevailed. So the amendment was adopted.

Mr. Olson then moved to amend S. F. No. 1720 as follows:

Page 1, line 19, strike "*It shall not constitute*"

Page 1, strike lines 20 to 22

Page 2, strike line 1

Page 2, line 2, strike "*occupant thereof.*"

The motion prevailed. So the amendment was adopted.

S. F. No. 1720 was then progressed.

S. F. No. 438, which the committee recommends to pass with the following amendments offered by Messrs. Tennesen and Davies:

Mr. Tennesen moved to amend S. F. No. 438 as follows:

Page 2, line 5, strike "*and objectors*"

Page 2, line 5, after "*shall*" insert "*pay to the commission the lesser of the actual costs of the hearing or \$3,000. If the actual costs of the hearing exceed \$3,000, the applicant and objectors shall*"

Page 2, line 6, after "*pay*" insert "*to the commission*"

Page 2, line 6, after "*all*" insert "*the excess*"

Page 2, line 7, strike everything after the period

Page 2, line 8, strike "*general fund.*"

Mr. Tennesen then moved to amend S. F. No. 438 as follows:

Page 3, line 24, after the comma insert "*if the commission's order is appealed,*"

Page 3, line 26, strike "*at*" and insert "*the extensions may not exceed a total of 18 months from the later of (a) the date the certificate of authorization would otherwise have expired or (b) the date on which all appeals or rights of appeal from the commission's order have concluded or expired. At*"

Page 3, line 26, strike "*such*" and insert "*the*"

Mr. Davies moved to amend S. F. No. 438 as follows:

Page 4, line 24, strike everything after the period

Page 4, line 25, strike "*application,*"

Page 4, line 26, strike "*the denial*" and insert "*granting or denying the application,*"

S. F. No. 1765, which the committee recommends to pass with the following amendment offered by Mr. Chenoweth:

Page 2, line 8, strike "*or designee of the commissioner*"

Page 2, line 9, strike "*or designee of the commissioner*"

Page 2, line 10, strike "*serve*" and insert "*each designate a senior employee of their respective departments to represent them*"

Page 2, line 10, after the period insert "*The designee of the commissioner of economic security shall be the person having authority over the administration of federally-recognized vocational rehabilitation programs. Notwithstanding the provisions of subdivision 2a, the term of office of a designee shall be coterminous with the term of office of the designating commissioner.*"

Page 2, line 12, reinsert the stricken comma

Page 2, line 12, after the reinserted comma insert "*and one member shall be a member of the medical staff of the hospital*"

Page 2, line 13, strike "*commissioners or their*"

Page 2, line 14, strike "with" and insert "*, and the appointments of all members shall be subject to*"

Page 2, line 14, strike the semicolon

Page 2, strike lines 15 and 16

Page 2, line 17, strike everything before the period

Page 2, line 29, strike "*in the unclassified civil service*"

Page 2, lines 30 to 32, strike the new language and reinsert the stricken language

Amend the title as follows:

Page 1, strike lines 4 and 5

Page 1, line 6, strike "agencies;"

S. F. No. 1685, which the committee recommends to pass with the following amendments offered by Mrs. Staples, Messrs. Knutson and Sikorski.

Mrs. Staples moved to amend S. F. No. 1685 as follows:

Page 3, line 14, strike the colon

Page 3, line 15, strike "(1)"

Page 3, line 20, strike "or"

Page 3, line 21, strike "(2)"

Page 3, line 26, before "Changes" insert "(b)" and reletter the paragraphs in sequence

Page 3, line 28, strike the second "the" and insert "*a health care*"

Page 10, line 7, strike "one"

Page 10, line 8, strike "*period*" and insert "*periods*"

Page 14, line 32, after the semicolon, insert "or"

Page 16, line 18, strike "a" and insert "*an approved*"

Page 16, line 19, strike "*approved pursuant to section 19*"

Page 16, line 30, after the semicolon insert "or"

Page 19, line 15, strike "*14 of this act*" and insert "11"

Page 24, line 11, strike "1982" and insert "1984"

Mr. Keefe, S. moved to amend S. F. No. 1685 as follows:

Page 4, line 15, strike "(1)" and after "requires" insert "*or would require if purchased*"

Page 4, line 16, strike "\$100,000" and insert "*\$150,000*" and strike "or \$200,000 for two"

Page 4, strike lines 17 to 20

Page 13, line 27, strike "\$100,000" and insert "*\$150,000*"

Page 13, strike line 28 after "item" and insert "*shall*"

Page 13, strike lines 29 to 32

Page 14, strike lines 1 to 15

Page 14, strike line 16 before "obtain"

Page 14, line 16, after "need" insert "*as if the doctor, group or corporation were a health care facility*"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 20 and nays 40, as follows:

Those who voted in the affirmative were:

Anderson	Dieterich	Johnson	McCutcheon	Spear
Borden	Gearty	Keefe, S.	Merriam	Staples
Coleman	Gunderson	Lessard	Ogdahl	Stumpf
Davies	Hughes	Luther	Perpich	Vega

Those who voted in the negative were:

Ashbach	Engler	Knoll	Peterson	Sikorski
Bang	Frederick	Knutson	Pillsbury	Sillers
Benedict	Hanson	Lewis	Purfeerst	Solon
Bernhagen	Jensen	Menning	Renneke	Strand
Brataas	Keefe, J.	Moe	Schmitz	Tennessee
Chenoweth	Kirchner	Nelson	Schrom	Ulland, J.
Chmielewski	Kleinbaum	Olhoft	Setzepfandt	Wegener
Dunn	Knaak	Olson	Sieloff	Willet

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

Mr. Knutson moved to amend S. F. No. 1685 as follows:

Page 2, line 1, strike "*such as health maintenance organizations*"

Page 2, line 20, after the period insert:

"Nothing in sections 145.71 to 145.83 shall be construed in a manner to suggest that the containment of escalating health care costs can be achieved unless the public is willing to accept greater responsibility for their own health care."

Mr. Sikorski moved to amend S. F. No. 1685 as follows:

Page 2, line 1, strike the new language

Page 2, lines 13 and 17, strike "*and health maintenance organizations*"

Page 4, lines 1 to 2, 3 to 4, and 8, strike "*or health maintenance organization*"

Page 4, strike lines 21 to 32

Page 5, strike line 1 before the period

Page 5, strike lines 28 to 29

Re-number the subdivisions in sequence

Page 5, lines 31 to 32, strike "*or health maintenance organization*"

Page 6, line 18, restore the stricken comma

Page 6, lines 18 to 19, strike "*or health maintenance organization*"

Page 7, strike lines 11 to 13 and re-number the paragraphs in sequence

Page 8, strike lines 27 to 30 and reletter the paragraphs in sequence

Page 9, lines 20 to 21 and 23 to 24, strike "*or health maintenance organization*"

Page 10, line 32, strike "*or health maintenance*"

Page 11, line 1, strike "*organizations*"

Page 12, line 12, strike "*health maintenance organization,*"

Page 12, line 15, strike "*or health maintenance organization*"

Page 15, line 28, strike "*or health maintenance organization*"

Page 17, lines 4 to 5, strike "*or health maintenance organization*"

Page 18, lines 7 to 8 and 9, strike "*or health maintenance organization*"

Page 20, lines 21 to 22, strike "*or health maintenance organizations*"

Page 20, lines 31 to 32, strike "*or the health maintenance organization*"

Page 21, line 7, strike "*or health maintenance organization*"

Page 22, lines 16 to 17, strike "*and health maintenance organizations*"

Page 23, lines 7, 22 to 23, and 25, strike "*or health maintenance organization*"

Mr. Lewis moved to amend S. F. No. 1685 as follows:

Page 2, lines 13 and 17, before "*and*" insert "*, home health agencies*"

Page 4, lines 1, 3, and 8, after "*facility*" insert "*, home health agency*"

Page 4, lines 24 and 31, after "*a*" insert "*home health agency or*"

Page 5, after line 29, insert:

"*Subd. 8. "Home health agency" means a person or a public or private organization primarily engaged in the provision of skilled nursing services or other therapeutic services on a part-time or intermittent visiting basis in the place of residence of the patient. Therapeutic services may include physical, occupational, or speech therapy services, home health, aid-homemaker services, medical social services, and nutrition counseling services.*"

Renumber the subdivisions in sequence

Page 5, line 31, after "*facility*" insert "*, home health agency*"

Page 6, line 18, before the second "*or*" insert "*, home health agency*"

Page 7, after line 15, insert:

"*(6) provide for the representation of home health agencies;*"

Renumber the paragraphs in sequence

Page 9, line 23, after "*facility*" insert "*, home health agency*"

Page 9, line 20, after "*facility*" insert "*, home health agency*"

- Page 10, line 32, before "or" insert "*, home health agencies*"
 Page 12, line 12, after "facility," insert "*home health agency,*"
 Page 12, line 15, after "facility" insert "*, home health agency*"
 Page 15, line 28, after "*facility*" insert "*, home health agency*"
 Page 17, line 4, after "*facility*" insert "*, home health agency*"
 Page 18, line 7, after "*facility*" insert "*, home health agency*"
 Page 18, line 9, after "*facility*" insert "*, home health agency*"
 Page 20, line 21, after "*facilities*" insert "*, home health agencies*"
 Page 20, line 31, after "*facility*" insert "*, home health agency*"
 Page 21, line 7, after "*facility*" insert "*, home health agency*"
 Page 22, line 16, after "*facilities*" insert "*, home health agencies*"
 Page 23, lines 7 and 25, after "*facility*" insert "*, home health agency*"

The motion prevailed. So the amendment was adopted.

RECONSIDERATION

Mr. Kirchner moved that the vote whereby the Lewis amendment to S. F. No. 1685 was adopted on February 20, 1978, be now reconsidered.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 31 and nays 27, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Moe	Pillsbury	Strand
Ashbach	Jensen	Nichols	Purfeerst	Ueland, A.
Bang	Kirchner	Ogdahl	Renneke	Ulland, J.
Bernhagen	Knaak	Olhoft	Schrom	
Brataas	Knutson	Olson	Sieloff	
Dunn	Laufenburger	Penny	Sikorski	
Engler	Lessard	Peterson	Sillers	

Those who voted in the negative were:

Benedict	Keefe, S.	Menning	Solon	Vega
Davies	Kleinbaum	Merriam	Spear	Wegener
Dieterich	Knoll	Nelson	Staples	Willet
Gearty	Lewis	Perpich	Stokowski	
Hanson	Luther	Schmitz	Stumpf	
Johnson	McCutcheon	Setzepfandt	Tennessee	

The motion prevailed. So the vote was reconsidered.

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

The roll was called, and there were yeas 29 and nays 31, as follows:

Those who voted in the affirmative were:

Benedict	Hanson	Lewis	Nichols	Staples
Borden	Hughes	Luther	Ogdahl	Stumpf
Coleman	Johnson	McCutcheon	Perpich	Tennessee
Davies	Keefe, S.	Merriam	Setzepfandt	Vega
Dieterich	Kleinbaum	Moe	Solon	Wegener
Gearty	Knoll	Nelson	Spear	

Those who voted in the negative were:

Ashbach	Frederick	Lessard	Purfeerst	Ueland, A.
Bang	Jensen	Menning	Renneke	Ulland, J.
Bernhagen	Keefe, J.	Olhoff	Schmitz	Willet
Brataas	Kirchner	Olson	Sieloff	
Chmielewski	Knaak	Penny	Sikorski	
Dunn	Knutson	Peterson	Sillers	
Engler	Laufenburger	Pillsbury	Strand	

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

On motion of Mr. Coleman, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

Without objection, the Senate reverted to the Order of Business of Introduction and First Reading of Senate Bills.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Olhoff, Gearty, Merriam, Wegener and Mrs. Knaak introduced—

S. F. No. 2236: A bill for an act relating to abortion; declaring a state policy on abortion and childbirth and the funding thereof; amending Minnesota Statutes 1976, Section 256B.02, Subdivision 3; and Chapter 256B, by adding sections.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Purfeerst, Kleinbaum, Gearty and Ogdahl introduced—

S. F. No. 2237: A bill for an act proposing an amendment to the Minnesota Constitution, Article XIII, Section 5; permitting parimutuel betting on races if authorized by law.

Referred to the Committee on General Legislation and Veterans Affairs.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. McCutcheon moved that S. F. No. 2174 be withdrawn from the Committee on Taxes and Tax Laws and re-referred to the Committee on Education. The motion prevailed.

RECESS

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

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

APPOINTMENTS

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

H. F. No. 404: Messrs. Keefe, S.; Schaaf and Gearty.

H. F. No. 405: Messrs. Nelson, Kleinbaum and Gearty.

Mr. Coleman moved that the foregoing appointments be approved. The motion prevailed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 10:00 o'clock a.m., Thursday, February 23, 1978. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SEVENTY-FIFTH DAY

St. Paul, Minnesota, Tuesday, February 21, 1978

The House of Representatives met on Tuesday, February 21, 1978, which was the Seventy-Fifth Legislative Day of the Seventieth Session of the Minnesota State Legislature. The Senate did not meet on this date.



SEVENTY-SIXTH DAY**St. Paul, Minnesota, Wednesday, February 22, 1978**

The House of Representatives met on Wednesday, February 22, 1978, which was the Seventy-Sixth Legislative Day of the Seventieth Session of the Minnesota State Legislature. The Senate did not meet on this date.



SEVENTY-SEVENTH DAY

St. Paul, Minnesota, Thursday, February 23, 1978

The Senate met at 10:00 o'clock a.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. Curtis A. Herron.

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

Anderson	Frederick	Laufenburger	Peterson	Staples
Ashbach	Gearty	Lessard	Pillsbury	Stokowski
Bang	Gunderson	Lewis	Purfeerst	Strand
Benedict	Hughes	Luther	Renneke	Stumpf
Bernhagen	Jensen	Menning	Schaaf	Tennessee
Borden	Johnson	Merriam	Schmitz	Ueland, A.
Brataas	Keefe, J.	Nelson	Schrom	Ulland, J.
Chenoweth	Keefe, S.	Nichols	Setzepfandt	Vega
Chmielewski	Kirchner	Ogdahl	Sieloff	Wegener
Davies	Kleinbaum	Olhoft	Sikorski	Willet
Dieterich	Knaak	Olson	Sillers	
Dunn	Knoll	Penny	Solon	
Engler	Knutson	Perpich	Spear	

The President declared a quorum present.

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

MEMBERS EXCUSED

Messrs. Coleman and Hanson were excused from this morning's Session. Messrs. Humphrey, Moe and McCutcheon were excused from the Session of today. Mr. Bernhagen was excused from the Session of today at 11:30 o'clock a.m. Messrs. Benedict and Peterson were excused from the Session of today from 11:00 o'clock a.m. until 12:00 o'clock noon. Messrs. Renneke, Olhoft and Frederick were excused from this evening's Session.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Johnson and Willet introduced—

S. F. No. 2238: A bill for an act relating to cooperative associa-

tions; authorizing election of directors by mail votes; amending Minnesota Statutes 1976, Section 308.071, Subdivision 2.

Referred to the Committee on Judiciary.

Mr. Stumpf introduced—

S. F. No. 2239: A bill for an act relating to the city of St. Paul; providing and authorizing issuance of general obligation bonds for capital improvement budget purposes; amending Laws 1971, Chapter 773, Section 1, as amended.

Referred to the Committee on Local Government.

Mr. Hughes introduced—

S. F. No. 2240: A bill for an act relating to education; expanding eligibility for extended leaves of absence for teachers; changing the provisions for early retirement incentive grants; amending Minnesota Statutes, 1977 Supplement, Sections 125.60, Subdivision 2; and 125.61, Subdivisions 3 and 4.

Referred to the Committee on Education.

Mr. Hughes introduced—

S. F. No. 2241: A bill for an act relating to education; making technical changes in the teacher mobility incentives; transferring responsibility for administration of teacher mobility incentives from the commissioner of finance to the commissioner of education; providing for state payment of the employer's share of retirement contributions for teachers on extended leaves of absence; appropriating money; amending Minnesota Statutes, 1977 Supplement, Sections 125.60, Subdivisions 2, 3 and by adding a subdivision; 125.61, Subdivisions 1, 2, 3, 4, 6 and by adding a subdivision; 354.094, Subdivisions 1 and 4; 354.66, Subdivision 9; 354A.091, Subdivisions 1 and 4; and 354A.22, Subdivision 9; repealing Minnesota Statutes, 1977 Supplement, Sections 125.61, Subdivision 5; and Laws 1977, Chapter 447, Article IX, Section 8.

Referred to the Committee on Education.

Mr. Willet introduced—

S. F. No. 2242: A bill for an act relating to water well contractors; requiring water well drilling machines to be operated by licensed water well contractors; amending Minnesota Statutes 1976, Sections 156A.02, Subdivision 3; and 156A.03, Subdivision 2.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Bernhagen, Schrom, Engler and Chenoweth introduced—

S. F. No. 2243: A bill for an act relating to energy; creating a grain alcohol fuel promotion board; providing an appropriation.

Referred to the Committee on Energy and Housing.

Mr. Lewis, by request, introduced—

S. F. No. 2244: A bill for an act relating to game and fish; taking of deer by handicapped under special permits; amending Minnesota Statutes 1976, Section 98.48, Subdivision 12.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Hughes introduced—

S. F. No. 2245: A bill for an act relating to retirement; tax levies to pay employer contributions to the teachers retirement fund; amending Minnesota Statutes 1976, Sections 275.125, by adding a subdivision; 353.28, Subdivision 8; and 355.299.

Referred to the Committee on Education.

Mr. Keefe, S. introduced —

S. F. No. 2246: A bill for an act relating to labor; increasing fees for boiler inspection and engineer's licenses; amending Minnesota Statutes 1976, Sections 183.545, Subdivisions 1, 2, 3, and 4; and 183.57, Subdivision 2.

Referred to the Committee on Employment.

Messrs. Anderson, Stokowski, Renneke, Borden and Kirchner introduced—

S. F. No. 2247: A bill for an act relating to retirement; providing annual benefit adjustments to disabled members of the public employees retirement association and survivors of deceased members; amending Minnesota Statutes 1976, Section 353.271, by adding a subdivision.

Referred to the Committee on Governmental Operations.

Messrs. Willet, Borden, Schaaf and McCutcheon introduced—

S. F. No. 2248: A bill for an act relating to peace officers and constables; requiring training and licensing for all peace officers; requiring training and licensing for constables; establishing the position of deputy constable; amending Minnesota Statutes 1976, Sections 367.03, Subdivisions 1 and 3; 367.22; 382.28; 626.843, by adding a subdivision; Chapter 367, by adding sections; and Minnesota Statutes, 1977 Supplement, Sections 626.84; 626.843, Subdivisions 1 and 3; 626.845; 626.846, Subdivisions 1, 2 and 3, and by adding subdivisions; 626.847; 626.848; and 626.851, Subdivi-

sion 2; repealing Minnesota Statutes, 1977 Supplement, Section 626.853.

Referred to the Committee on General Legislation and Veterans Affairs.

Messrs. Chmielewski, Purfeerst, Engler, Moe and Lessard introduced—

S. F. No. 2249: A bill for an act relating to aircraft patrolling of highways; authorizing the commissioner of public safety to maintain aircraft and pilots; repealing restrictions on numbers of aircraft and pilots.

Referred to the Committee on Transportation.

Mrs. Staples introduced—

S. F. No. 2250: A bill for an act relating to the city of Robbinsdale; authorizing the purchase or investment in certain obligations without regard to charter debt limitations.

Referred to the Committee on Local Government.

Mr. Johnson introduced—

S. F. No. 2251: A bill for an act relating to the town of White, St. Louis county; authorizing the board of supervisors to set the compensation of the town assessor; amending Laws 1973, Chapter 530, Section 1; repealing Laws 1959, Chapter 314, Section 1.

Referred to the Committee on Local Government.

Mrs. Knaak introduced—

S. F. No. 2252: A bill for an act relating to Ramsey county; modifying procedures for the publication of a board journal; amending Laws 1974, Chapter 435, Section 2.05, as amended.

Referred to the Committee on Local Government.

Mrs. Staples, Messrs. Benedict, Nelson, Lewis and Spear introduced—

S. F. No. 2253: A bill for an act relating to health; increasing public availability of articles relating to the prevention of conception or disease; amending Minnesota Statutes 1976, Section 617.251.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Spear and Mrs. Staples introduced —

S. F. No. 2254: A bill for an act relating to insurance; prohibit-

ing certain unfair discriminatory practices in the sale, underwriting and rating of insurance policies; prohibiting certain discrimination on the basis of sex, marital status or occupation as a homemaker; providing remedies; amending Minnesota Statutes 1976, Chapter 72A, by adding a section.

Referred to the Committee on Commerce.

Messrs. Vega, Sikorski and Knutson introduced —

S. F. No. 2255: A bill for an act relating to hazardous wastes; requiring preparation of a comprehensive statewide hazardous waste management plan; providing for legislative review; directing the pollution control agency to designate sites for hazardous waste disposal facilities; providing for construction and operation of needed facilities; providing penalties; appropriating money; amending Minnesota Statutes 1976, Sections 116.07, Subdivision 2; 116.081, Subdivisions 1 and 3; 116.101; 400.161; 473.149, Subdivision 1; 473.516; and Minnesota Statutes, 1977 Supplement, Section 116.07, Subdivision 4.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Vega and Knutson introduced—

S. F. No. 2256: A bill for an act relating to Dakota county; providing that the county commissioners may fix an amount for each commissioner's expenses; amending Laws 1961, Chapter 249, Section 2, as amended.

Referred to the Committee on Local Government.

Mrs. Staples, Messrs. Perpich, Nelson, Lewis and Ulland, J. introduced—

S. F. No. 2257: A bill for an act relating to crimes; specifying the acts constituting the offenses of promoting prostitution; prohibiting engaging or offering to engage as a prostitute in an act of sexual penetration or contact; defenses to prostitution prosecutions; admissibility of evidence in prostitution prosecutions; repealing Minnesota Statutes 1976, Section 609.32.

Referred to the Committee on Judiciary.

Messrs. Chenoweth, Ashbach, Nelson, McCutcheon and Penny introduced—

S. F. No. 2258: A bill for an act relating to the operation of state government; allowing the state to make advance payments or deposits for certain items; providing for centralized rental payments to be made from the general services revolving fund; extending the time in which to repay loans from the general fund to revolving funds; allowing the commissioner of administration to

publish agency descriptions in the state register biennially instead of annually; amending Minnesota Statutes 1976, Section 16.096; Minnesota Statutes, 1977 Supplement, Sections 15.0412, Subdivision 2; 16.80, Subdivision 1; and 16A.126.

Referred to the Committee on Governmental Operations.

Mr. Chmielewski introduced—

S. F. No. 2259: A bill for an act relating to the Minnesota no-fault automobile insurance act; specifying certain crimes and penalties arising from the ownership or use of improperly insured motorcycles; prescribing certain additional sanctions and consequences; amending Minnesota Statutes 1976, Section 65B.67.

Referred to the Committee on Judiciary.

Mr. Anderson introduced—

S. F. No. 2260: A bill for an act relating to Chisago county; providing power to the county board to regulate animals.

Referred to the Committee on Local Government.

Mr. Humphrey introduced—

S. F. No. 2261: A bill for an act relating to insurance; regulating cancellation, renewal, and reduction of coverage of residential insurance; amending Minnesota Statutes 1976, Sections 65A.01, Subdivision 3; and 65A.07.

Referred to the Committee on Commerce.

Mr. Schaaf introduced—

S. F. No. 2262: A bill for an act relating to taxation; property tax; extending class 3cc to include certain property owners with disabled dependents; amending Minnesota Statutes, 1977 Supplement, Section 273.13, Subdivision 7.

Referred to the Committee on Taxes and Tax Laws.

Mr. Johnson introduced—

S. F. No. 2263: A bill for an act relating to labor; requiring state residents to be given hiring preference on public works projects; providing for enforcement.

Referred to the Committee on Employment.

Mr. Wegener introduced—

S. F. No. 2264: A bill for an act relating to statutory cities; pro-

viding for uniformity in bidding requirements for local government contracts; amending Minnesota Statutes 1976, Section 412.311.

Referred to the Committee on Local Government.

Mr. Wegener introduced—

S. F. No. 2265: A bill for an act relating to cities; establishing requirements for financial statements, reports and audits; providing a time limit for submissions of certain reports to the state auditor; providing for enforcement of reporting requirements; amending Minnesota Statutes 1976, Chapter 471, by adding sections; repealing Minnesota Statutes 1976, Sections 412.281 and 412.291.

Referred to the Committee on Local Government.

Messrs. Merriam, Anderson, Humphrey and Dunn introduced—

S. F. No. 2266: A bill for an act relating to education; teachers; authorizing a hearing process for termination of contracts and discharge of teachers; amending Minnesota Statutes 1976, Section 125.12, Subdivision 8; and Minnesota Statutes, 1977 Supplement, Section 125.12, Subdivision 4.

Referred to the Committee on Education.

Messrs. Merriam, Hughes and Sillers introduced—

S. F. No. 2267: A bill for an act relating to education; teachers; requiring certain provisions in teachers contracts and clarifying the retirement age for teachers; amending Minnesota Statutes 1976, Section 125.12, Subdivisions 2 and 5.

Referred to the Committee on Education.

Messrs. Solon, Johnson and Ulland, J. introduced—

S. F. No. 2268: A bill for an act relating to regional development; clarifying certain powers of the Arrowhead regional development commission.

Referred to the Committee on Local Government.

Mr. Schaaf introduced—

S. F. No. 2269: A bill for an act relating to crimes; specifying the acts constituting arson; amending Minnesota Statutes 1976, Sections 609.562 and 609.563.

Referred to the Committee on Judiciary.

Messrs. Solon, Kleinbaum, Johnson, Ashbach and Wegener introduced—

S. F. No. 2270: A bill for an act relating to liquor; registration of labels; amending Minnesota Statutes 1976, Section 340.62.

Referred to the Committee on Commerce.

Mr. Lessard introduced—

S. F. No. 2271: A bill for an act relating to retirement; distribution of police state aid; amending Minnesota Statutes, 1977 Supplement, Sections 69.021, Subdivisions 5, 6, and 7; and 69.031, Subdivision 5.

Referred to the Committee on Governmental Operations.

Messrs. Dieterich, Stumpf and Chenoweth introduced—

S. F. No. 2272: A bill for an act relating to cities of the first class; providing for election of city officers and school board members in November of odd-numbered years; amending Minnesota Statutes 1976, Section 205.021; and Chapter 205, by adding a section; repealing Minnesota Statutes 1976, Sections 205.18 and 205.19.

Referred to the Committee on Elections.

Messrs. Schaaf, McCutcheon, Luther and Anderson introduced—

S. F. No. 2273: A bill for an act relating to the attorney general; providing for the appointment of a special prosecutor; prescribing the scope and limits of criminal prosecution to be undertaken by the attorney general; appropriating money; amending Minnesota Statutes 1976, Section 8.01; and Minnesota Statutes, 1977 Supplement, Section 8.02.

Referred to the Committee on Judiciary.

Mr. Tennessen introduced—

S. F. No. 2274: A bill for an act relating to departments of state; concerning confidential data on individuals; regarding emergency classification of data; amending Minnesota Statutes 1976, Sections 15.162, Subdivision 2a; and 15.1642, Subdivision 3.

Referred to the Committee on Judiciary.

Messrs. Schaaf, Peterson, Strand and Nichols introduced—

S. F. No. 2275: A bill for an act relating to examining and licensing boards; abolishing the board of abstracters; altering the membership, regulatory powers, practices and supervision of certain boards; limiting criteria for issuing licenses; providing for a review of certain functions of the boards; amending Minnesota

Statutes 1976, Sections 125.05, Subdivision 1; 147.02, Subdivision 1; 147.021, Subdivision 1; 148.211, Subdivision 1; 148.57, Subdivisions 1 and 3; 148.91, Subdivision 4; 148.93; 150A.06, Subdivisions 1, 2, 2a, and 4; 151.10; 153.04; 153.15; 154.05; 154.06; 154.11; 154.12; 154.22; 155.04; 155.05; 155.09, Subdivision 1; 156.02, Subdivision 1; 156.071; 156.072, Subdivision 2; 156.081, Subdivision 2; 214.04, as amended; 214.06, as amended; 214.09, Subdivision 2; 326.02, Subdivision 1; 326.10, Subdivision 1; 326.19, Subdivision 2; 326.332, Subdivision 1; 326.54; 326.546; and Chapters 214, by adding a section; 270, by adding a section; and 386, by adding a section; amending Minnesota Statutes, 1977 Supplement, Sections 148.10, Subdivision 1; and 214.01, Subdivision 3; repealing Minnesota Statutes 1976, Chapter 186; and Sections 147.11; 150A.11, Subdivisions 2, 3, and 4; 151.28; 270.41; 270.42; 270.43; 341.09; 386.61, Subdivision 3; and 386.63.

Referred to the Committee on Governmental Operations.

Mr. Schaaf introduced—

S. F. No. 2276: A bill for an act relating to state government; relieving the governor of certain formal duties; amending Minnesota Statutes 1976, Sections 7.09, Subdivision 1; 16.02, Subdivision 14; 16.05; 16.24; 16.28; 85.021, Subdivision 2; 94.12; 161.23, Subdivision 2; 161.43; 161.433, Subdivision 1; 161.44, Subdivision 1; 360.023; and 360.305, Subdivision 2.

Referred to the Committee on Governmental Operations.

Messrs. Merriam, Strand, Dieterich, Hanson and Dunn introduced—

S. F. No. 2277: A bill for an act relating to eminent domain; requiring that prepayment penalties be treated as a separate item of damages; amending Minnesota Statutes 1976, Chapter 117, by adding a section.

Referred to the Committee on Judiciary.

Mr. Sikorski introduced—

S. F. No. 2278: A bill for an act relating to drivers licenses; application and filing with clerk of the district court; providing that the commissioner of public safety may appoint an agent to assist the clerk in accepting applications under certain circumstances; amending Minnesota Statutes 1976, Section 171.06, Subdivision 4.

Referred to the Committee on General Legislation and Veterans Affairs.

Mr. Sikorski introduced—

S. F. No. 2279: A bill for an act relating to public welfare;

modifying the definition of dependent child; amending Minnesota Statutes 1976, Section 256.12, Subdivision 14.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Willet introduced—

S. F. No. 2280: A bill for an act relating to appropriations; appropriating funds for the repair and reconstruction of a certain dam.

Referred to the Committee on Finance.

Messrs. Luther; Tennessen; Keefe, S. and Humphrey introduced—

S. F. No. 2281: A bill for an act relating to Hennepin county municipal court; authorizing the establishment of three suburban court locations; amending Minnesota Statutes 1976, Section 488A.01, Subdivision 9.

Referred to the Committee on Judiciary.

Messrs. Vega, Lessard, Laufenburger and Nelson introduced—

S. F. No. 2282: A bill for an act relating to labor; occupational safety and health; making results of certain inspections, studies and tests available to affected workers; providing a penalty; amending Minnesota Statutes 1976, Chapter 182, by adding a section.

Referred to the Committee on Employment.

Messrs. Penny, Renneke, Moe and Willet introduced—

S. F. No. 2283: A bill for an act relating to courts; increasing the salary of certain judges; amending Minnesota Statutes, 1977 Supplement, Section 15A.083, Subdivision 1.

Referred to the Committee on Judiciary.

Messrs. Kleinbaum and Davies introduced—

S. F. No. 2284: A bill for an act relating to banks; providing that banks guarantee funds to honor checks drawn on accounts with the bank in certain situations; amending Minnesota Statutes 1976, Chapter 48, by adding a section.

Referred to the Committee on Commerce.

Messrs. Stokowski, Sikorski, Mrs. Brataas and Mr. Kleinbaum introduced—

S. F. No. 2285: A bill for an act relating to cable communica-

tions; providing for the extension of cable service; amending Minnesota Statutes 1976, Sections 238.02, Subdivision 5, and by adding subdivisions; 238.08, Subdivision 1; and Chapter 238, by adding a section.

Referred to the Committee on Commerce.

Messrs. Knoll, Schaaf and Anderson introduced—

S. F. No. 2286: A bill for an act relating to taxation; property tax; providing for assessment of certain housing projects; amending Minnesota Statutes 1976, Section 273.13, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws. Mr. Knoll questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Messrs. Luther, Dieterich, Perpich, Sikorski and Mrs. Brataas introduced—

S. F. No. 2287: A bill for an act relating to medical malpractice insurance; extending the temporary joint underwriting association for an additional two year period; amending Minnesota Statutes 1976, Section 62F.01; repealing Laws 1976, Chapter 242, Section 16.

Referred to the Committee on Commerce.

Messrs. Luther, Olhoft, Strand, Willet and Setzepfandt introduced—

S. F. No. 2288: A bill for an act relating to establishing an advisory committee to advise the Minnesota energy agency on matters related to the issuance of certificates of need for power plants and high voltage transmission lines.

Referred to the Committee on Energy and Housing.

Messrs. Luther, Olhoft, Strand and Setzepfandt introduced—

S. F. No. 2289: A bill for an act relating to the organization of state government; creating an office of public advisor; directing the office of public advisor to assist citizens in certificate of need proceedings for large energy facilities and site or route proceedings for large electric power plants or high voltage transmission lines; appropriating money; repealing Minnesota Statutes, 1977 Supplement, Section 116C.59, Subdivision 3.

Referred to the Committee on Energy and Housing.

Messrs. Luther, Olhoft, Strand and Willet introduced—

S. F. No. 2290: A bill for an act relating to energy; providing increased educational programs relating to large energy facilities;

appropriating money; amending Minnesota Statutes, 1977 Supplement, Section 116H.07.

Referred to the Committee on Energy and Housing.

Messrs. Luther, Johnson, Benedict and Hanson introduced—

S. F. No. 2291: A bill for an act relating to commerce; requiring standard form agreements for consumer credit transactions and for lease of real property for residential purposes to be readable; providing penalties.

Referred to the Committee on Commerce.

Messrs. Dieterich, Olson, Chenoweth, Kirchner and Stumpf introduced—

S. F. No. 2292: A bill for an act relating to amusement rides; providing for their regulation; requiring state safety inspections; requiring liability insurance; providing penalties; amending Minnesota Statutes 1976, Chapter 183, by adding sections.

Referred to the Committee on General Legislation and Veterans Affairs.

Messrs. Penny, Strand and Schmitz introduced—

S. F. No. 2293: A bill for an act relating to alcohol and drug abuse programs; dedicating and appropriating a portion of liquor tax revenues for funding; amending Minnesota Statutes 1976, Chapter 254A, by adding a section; and Section 340.485, by adding a subdivision.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Tennesen introduced—

S. F. No. 2294: A bill for an act relating to taxation; tax returns; excepting certain tax information about liquor license applicants from confidentiality requirements; requiring liquor license applicants to have paid certain taxes; amending Minnesota Statutes 1976, Sections 297A.43; 340.01; and Minnesota Statutes, 1977 Supplement, Section 290.61.

Referred to the Committee on Judiciary.

Mr. Tennesen introduced—

S. F. No. 2295: A bill for an act relating to commerce; restricting discontinuation of service by utilities and fuel distributors during winter; providing procedures for discontinuing service; providing claim procedures for disputed billings.

Referred to the Committee on Commerce.

Mr. Ueland, A. introduced—

S. F. No. 2296: A bill for an act relating to the city of Mankato; prohibiting regulation of the rates of the public transit system by the public service commission.

Referred to the Committee on Transportation.

Messrs. Strand, Nichols, Coleman and Gearty introduced—

S. F. No. 2297: A bill for an act relating to retirement; elected state officers plan; providing increased retirement benefits for constitutional officers and certain commissioners; appropriating money; amending Minnesota Statutes 1976, Sections 352C.01; 352C.04, Subdivisions 1 and 2a, and by adding a subdivision; 352C.09, Subdivisions 1 and 2; 352C.091, by adding subdivisions; and Chapter 352C, by adding sections; repealing Minnesota Statutes 1976, Sections 352C.02; 352C.03; 352C.04, Subdivision 3; 352C.05; 352C.06; and 352C.08.

Referred to the Committee on Governmental Operations.

Mrs. Brataas and Mr. Laufenburger introduced—

S. F. No. 2298: A bill for an act relating to the city of Rochester; issuance of licenses for the sale of intoxicating liquor at Mayo civic auditorium.

Referred to the Committee on Commerce.

Mr. Purfeerst introduced—

S. F. No. 2299: A bill for an act relating to the county of LeSueur; allowing the LeSueur county court to appoint a judicial officer.

Referred to the Committee on Judiciary.

Messrs. Davies, Sillers, Kirchner, Borden and Laufenburger introduced—

S. F. No. 2300: A bill for an act relating to commerce; requiring certain disclosures by foreign currency exchanges operated at airports; providing remedies.

Referred to the Committee on Commerce.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, herewith returned: S. F. No. 1178.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned February 21, 1978

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, herewith returned: S. F. No. 1004.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned February 22, 1978

Mr. President:

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

House Concurrent Resolution No. 8: A house concurrent resolution relating to adjournment.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted February 20, 1978

House Concurrent Resolution No. 8: A house concurrent resolution relating to adjournment.

BE IT RESOLVED, by the House of Representatives, the Senate concurring, that when either the House of Representatives or the Senate adjourns on February 23, 1978, it may adjourn to any date not later than March 1, 1978.

Mr. Borden moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

Mr. President:

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

S. F. No. 823: A bill for an act relating to mechanics liens; increasing the period in which notice must be given to the owner of improved real estate; amending the definition of owner; enlarging the circumstances in which notice is not required to be given; providing penalties; amending Minnesota Statutes 1976, Section 514.011, Subdivisions 2, 3 and 4.

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

Simoneau, Neisen and Zubay.

Senate File No. 823 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned February 20, 1978

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. 698: A bill for an act relating to insurance companies; simplifying language and removing obsolete provisions; clarifying ambiguities; establishing certain responsibilities; requiring performance bonds for certain corporate officers and employees; increasing certain fees; increasing certain capitalization and reserve requirements; providing certain restrictions; authorizing mutual companies to write certain additional kinds of insurance; prescribing certain penalties; amending Minnesota Statutes 1976, Sections 60A.07, Subdivisions 5d and 11; 60A.09, Subdivision 1; 60A.10, Subdivision 1; 60A.11, Subdivision 2; 60A.12, Subdivision 5; 60A.19, Subdivision 1; 60A.23, Subdivision 7; 60C.06, Subdivision 1; 61A.40; 66A.08, Subdivision 1; 66A.09; 66A.10; 66A.16, Subdivision 2; repealing Minnesota Statutes 1976, Sections 60A.12, Subdivision 6; and 63.36.

Senate File No. 698 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned February 20, 1978

CONCURRENCE AND REPASSAGE

Mr. Spear moved that the Senate concur in the amendments by the House to S. F. No. 698 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 698: A bill for an act relating to insurance companies; simplifying language and removing obsolete provisions; clarifying ambiguities; establishing certain responsibilities; requiring performance bonds for certain corporate officers and employees; increasing certain fees; increasing certain capitalization and reserve requirements; providing certain restrictions; authorizing mutual companies to write certain additional kinds of insurance; prescribing certain penalties; amending Minnesota Statutes 1976, Sections 60A.07, subdivisions 5d and 11; 60A.09, Subdivision 1; 60A.10, Subdivision 1; 60A.11, Subdivision 2; 60A.12, Subdivision 5; 60A.23, Subdivision 7; 60C.06, Subdivision 1; 61A.40; 66A.08, Subdivision 1; 66A.09; 66A.10; 66A.16, Subdivision 2; Minnesota Statutes, 1977 Supplement, Section 60A.19, Subdivision 1; repealing Minnesota Statutes 1976, Sections 60A.12, Subdivision 6; 63.36; and 63.37.

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:

Anderson	Engler	Laufenburger	Purfeerst	Strand
Ashbach	Frederick	Lewis	Renneke	Stumpf
Bang	Gearty	Luther	Schmitz	Tennessee
Benedict	Gunderson	Menning	Schrom	Ueland, A.
Bernhagen	Hughes	Merriam	Setzpfandt	Ulland, J.
Borden	Jensen	Nelson	Sieloff	Vega
Brataas	Johnson	Olhoft	Sikorski	Wegener
Chenoweth	Keefe, S.	Olson	Sillers	Willet
Chmielewski	Kirchner	Penny	Solon	
Davies	Kleinbaum	Perpich	Spear	
Dieterich	Knaak	Peterson	Staples	
Dunn	Knutson	Pillsbury	Stokowski	

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. 682: A bill for an act relating to Anoka county; creating a housing and redevelopment authority; applying the provisions of the municipal housing and redevelopment act to Anoka county; providing for local approval of projects.

Senate File No. 682 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned February 20, 1978

CONCURRENCE AND REPASSAGE

Mr. Merriam moved that the Senate concur in the amendments by the House to S. F. No. 682 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 682 was read the third time, as amended by the House, and placed on its repassage.

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

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

Those who voted in the affirmative were:

Anderson	Frederick	Laufenburger	Pillsbury	Staples
Bang	Gearty	Lessard	Purfeerst	Stokowski
Benedict	Gunderson	Lewis	Renneke	Strand
Bernhagen	Hughes	Luther	Schaaf	Stumpf
Borden	Jensen	Menning	Schmitz	Tennessee
Brataas	Johnson	Merriam	Schrom	Ueland, A.
Chenoweth	Keefe, J.	Nelson	Setzpfandt	Ulland, J.
Chmielewski	Keefe, S.	Olhoft	Sieloff	Vega
Davies	Kirchner	Olson	Sikorski	Wegener
Dieterich	Kleinbaum	Penny	Sillers	Willet
Dunn	Knaak	Perpich	Solon	
Engler	Knutson	Peterson	Spear	

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

MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 523, 526, 788, 1707, 1975, 1864, 807, 1838, 1863, 1878, 1434, 1728, 1729, 2068, 2087, 1858, 1860, 1923 and 1967.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 20, 1978

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 190, 1908, 1973, 2080, 361, 474, 1447, 1718, 1909, 1918, 1022, 1323, 1825 and 1833.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 21, 1978

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 1598, 1765, 1766, 1940, 1225, 1793, 1966, 1736, 1859, 1997, 1767, 1781, 1821, 1866 and 2000.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 22, 1978

FIRST READING OF HOUSE BILLS

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

H. F. No. 523: A bill for an act relating to public safety; requiring fencing of unused open pit mines; providing a penalty; amending Minnesota Statutes 1976, Section 180.03.

Referred to the Committee on Finance.

H. F. No. 526: A bill for an act relating to insurance; providing for the procurement of insurance from and the regulation of surplus line insurers and agents; providing for the regulation and imposition of penalties on certain insurance agents; amending Minnesota Statutes 1976, Section 60A.20.

Referred to the Committee on Commerce.

H. F. No. 788: A bill for an act relating to fire insurance; requiring a premium reduction or credit against premium for installation of certain smoke or fire detection devices.

Referred to the Committee on Commerce.

H. F. No. 1707: A bill for an act relating to automobile insurance; authorizing exclusion of certain high risk drivers from household coverages; requiring exclusion of such drivers from premium calculations under certain circumstances; prescribing penalties; amending Minnesota Statutes 1976, Chapter 65B, by adding a section.

Referred to the Committee on Commerce.

H. F. No. 1975: A bill for an act relating to corrections; providing for the classification and compensation of persons engaged in the sale of products manufactured or processed in correctional institutions; amending Minnesota Statutes 1976, Section 43.12, by adding a subdivision.

Referred to the Committee on Health, Welfare and Corrections.

H. F. No. 1864: A bill for an act relating to retirement; providing for biennial local police and paid fire fund actuarial valuations; amending Minnesota Statutes 1976, Sections 69.77, Subdivisions 1, 2 and by adding a subdivision; 69.773, Subdivision 2; 69.78; 356.20, Subdivisions 1, 2 and 4; 356.215, Subdivisions 2 and 4; Chapter 356, by adding a section; Laws 1955, Chapter 75, Section 9, as added and Section 12, as amended; Laws 1959, Chapter 131, Section 10, Subdivision 1, as amended; Laws 1965, Chapter 446, Section 7, Subdivision 1; Laws 1965, Chapter 458, Section 3, Subdivision 2; Laws 1965, Chapter 498, Section 1, Subdivision 1; Laws 1967, Chapter 736, Section 11, Subdivision 1; Laws 1967, Chapter 775, Section 8; Laws 1967, Chapter 798, Section 1, Subdivisions 1 and 2; Laws 1969, Chapter 576, Section 1; Laws 1969, Chapter 641, Section 2, Subdivision 1; Laws 1971, Chapter 51, Section 9, and Section 10, Subdivisions 1 and 2; Laws 1971, Chapter 810, Section 7; Laws 1973, Chapter 587, Section 1; Laws 1975, Chapter 424, Sections 10 and 11; repealing Minnesota Statutes 1976, Sections 69.71; 69.72; 69.73; 69.74; 69.75; 69.76; 490.131; and Laws 1963, Chapter 643, Section 27.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1808.

H. F. No. 807: A bill for an act relating to metropolitan government; removing the city of New Prague from definitions of metropolitan areas; adding the city of New Prague to region nine; amending Minnesota Statutes 1976, Sections 473.121, Subdivision 2; 473.123, Subdivisions 1 and 3; 473.249, Subdivision 1; 473.403; 473F.02, Subdivisions 2 and 8.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 712.

H. F. No. 1838: A bill for an act relating to the St. Cloud metropolitan transit commission; providing paratransit services authority; permitting contracts for certain services; amending Laws 1969, Chapter 1134, Section 3, Subdivisions 4 and 8, as amended; and by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1859.

H. F. No. 1863: A bill for an act relating to the operation of state government; allowing the state to make advance payments or deposits for certain items; providing for centralized rental payments to be made from the general services revolving fund; extending the time in which to repay loans from the general fund to revolving funds; allowing the commissioner of administration to publish agency descriptions in the state register biennially instead of annually; amending Minnesota Statutes 1976, Section 16.096; Minnesota Statutes, 1977 Supplement, Sections 15.0412, Subdivision 2; 16.80, Subdivision 1; and 16A.126.

Referred to the Committee on Governmental Operations.

H. F. No. 1878: A bill for an act relating to drivers licenses; application and filing with clerk of the district court; providing that the commissioner of public safety may appoint an agent to assist the clerk in accepting applications under certain circumstances.

Referred to the Committee on General Legislation and Veterans Affairs.

H. F. No. 1434: A bill for an act relating to natural resources; authorizing the commissioner of natural resources to convey the interests of the state in certain lands in Ottertail county for the purpose of correcting boundary description errors.

Referred to the Committee on Agriculture and Natural Resources.

H. F. No. 1728: A bill for an act relating to employments licensed by the state; architects, engineers and landscape architects; requiring knowledge of barrier free design to acquire license; amending Minnesota Statutes 1976, Section 326.10, by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1789 now in the Subcommittee on Bill Scheduling.

H. F. No. 1729: A bill for an act relating to buildings; access to handicapped; international wheelchair symbol; adopting uniform colors; amending Minnesota Statutes 1976, Section 299G.12, Subdivision 2.

Referred to the Committee on Governmental Operations.

H. F. No. 2068: A bill for an act relating to public television; eliminating restriction on location of television tower; amending Laws 1977, Chapter 320, Section 1.

Referred to the Committee on Finance.

H. F. No. 2087: A bill for an act relating to the adoption of rules

concerning the process and procedures for designating power plant sites and transmission line routes; amending Minnesota Statutes, 1977 Supplement, Sections 116C.645 and 116C.66; and Laws 1977, Chapter 439, Section 26.

Referred to the Committee on Agriculture and Natural Resources.

H. F. No. 1858: A bill for an act relating to retirement; clarifying various ambiguous retirement provisions; removing various obsolete gender references; amending Minnesota Statutes 1976, Sections 352B.05; 352B.06; 352B.14, Subdivisions 3 and 4; 352B.26, Subdivisions 2 and 3; 352B.28; 352D.05, Subdivision 3; 423.37; 423.371, Subdivision 2; 423.377; 423.38; 423.381; 423.387; 423.48; 423.51; 423.52; 423.58; 423.802, Subdivision 2; 423.810, Subdivisions 1 and 2; 424.16; 424.17; 424.24; 424.29; 424.31; Chapter 422A, by adding a section; Minnesota Statutes, 1977 Supplement, Sections 69.772, Subdivision 2; 352B.08, Subdivision 2; 422A.09, Subdivision 3; and 422A.33, Subdivision 3; Laws 1969, Chapter 1088, Section 4, Subdivision 4; and Laws 1977, Chapter 61, Section 5; repealing Minnesota Statutes 1976, Sections 423.22 to 423.36; and 425.01 to 425.09.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1807.

H. F. No. 1860: A bill for an act relating to public employees retirement association; providing for adjusted accrual dates for payment of annuities, survivor benefits and disability benefits, and clarifying membership requirements for elected officials; amending Minnesota Statutes 1976, Sections 353.29, Subdivision 7; 353.32, Subdivision 1a; 353.33, Subdivision 2; 353.657, Subdivision 2a; and Minnesota Statutes, 1977 Supplement, Sections 353.01, Subdivision 2b; 353.29, Subdivision 8; and 353.31, Subdivision 8.

Referred to the Committee on Rules and Administration.

H. F. No. 1923: A bill for an act relating to taxation; restricting certificate of value filing requirements to transfers of property made after 1977; amending Minnesota Statutes, 1977 Supplement, Section 272.115, Subdivisions 1 and 4.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1766 now in the Subcommittee on Bill Scheduling.

H. F. No. 1967: A bill for an act relating to motor vehicles; permitting personalized license plates on trucks; amending Minnesota Statutes 1976, Section 168.12, Subdivision 2a.

Referred to the Committee on Transportation.

H. F. No. 190: A bill for an act relating to commerce; providing for the opening of checking accounts; imposing a duty on financial institutions; providing remedies for worthless checks.

Referred to the Committee on Commerce.

H. F. No. 1908: A bill for an act relating to education; teachers; requiring expungement of certain material from a teacher's file; amending Minnesota Statutes 1976, Section 125.12, Subdivision 6.

Referred to the Committee on Judiciary.

H. F. No. 1973: A bill for an act relating to juveniles; providing procedures regulating the detention of juveniles; amending Minnesota Statutes 1976, Section 260.173; and Minnesota Statutes, 1977 Supplement, Section 260.171, Subdivision 2.

Referred to the Committee on Judiciary.

H. F. No. 2080: A bill for an act relating to juveniles; providing procedures regulating the detention of certain juveniles; amending Minnesota Statutes 1976, Section 260.185, Subdivision 1.

Referred to the Committee on Judiciary.

H. F. No. 361: A bill for an act relating to state employees; providing optional health insurance coverage under the Minnesota employees group insurance plan for certain former employees retired because of a disability.

Referred to the Committee on Governmental Operations.

H. F. No. 474: A bill for an act relating to highway traffic regulations; defining terms; driving rules; pedestrian rules; regulating the operation of motor vehicles, bicycles and other human powered vehicles; amending Minnesota Statutes 1976, Sections 169.01, Subdivisions 2, 3, 31, 51, and by adding a subdivision; 169.18, Subdivision 7; 169.19, Subdivisions 1 and 8; 169.20, Subdivision 4; 169.21, Subdivision 3; 169.31; and Chapter 169, by adding a section; repealing Minnesota Statutes 1976, Section 169.221.

Referred to the Committee on Transportation.

H. F. No. 1447: A bill for an act relating to education; teachers; providing due process rights for certain athletic coaches; amending Minnesota Statutes 1976, Chapter 125, by adding a section.

Referred to the Committee on Education.

H. F. No. 1718: A resolution urging the President and Congress to make a national commitment to the prevention and cure of cancer.

Referred to the Committee on Rules and Administration.

H. F. No. 1909: A bill for an act relating to the legislature; providing that the organization of the legislature at the regular session continue during a special session; amending Minnesota Statutes 1976, Chapter 3, by adding a section.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1608.

H. F. No. 1918: A bill for an act relating to taxation; income tax; clarifying the exemption of certain pension benefits; amending Minnesota Statutes, 1977 Supplement, Section 290.01, Subdivision 20; repealing Minnesota Statutes, 1977 Supplement, Section 290.08, Subdivision 6.

Referred to the Committee on Taxes and Tax Laws.

H. F. No. 1022: A bill for an act relating to the juveniles; providing for a hearing to determine detrimental relationships involving children; providing for a penalty for those engaging children in detrimental relationships; amending Minnesota Statutes 1976, Section 260.315; and Chapter 260, by adding a section.

Referred to the Committee on Judiciary.

H. F. No. 1323: A bill for an act relating to education; higher education coordinating board; private post-secondary institutions; exempting certain institutions from the requirement of registration with the board; amending Minnesota Statutes 1976, Sections 136A.61; 136A.62, Subdivision 3; and Chapter 136A, by adding sections.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1573.

H. F. No. 1825: A bill for an act relating to examining and licensing boards; concerning public health; requiring information at the time of license application; allowing the collection of information at the time of license renewal; amending Minnesota Statutes 1976, Chapter 214, by adding sections.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1750.

H. F. No. 1833: A bill for an act relating to community colleges; requiring that one member of the state board be a student; requiring that one member of the local advisory committee be a student; amending Minnesota Statutes 1976, Sections 136.61, Subdivisions 1 and 1a; and 136.63, Subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1641.

H. F. No. 1598: A bill for an act relating to uses and trusts; providing for the application to and limitation of certain general trust statutes in relation to industrial revenue bonds; amending Minnesota Statutes 1976, Section 501.37; and Minnesota Statutes, 1977 Supplement, Section 501.34.

Referred to the Committee on Judiciary.

H. F. No. 1765: A bill for an act relating to the legislature; concerning the legislative commission to review administrative

rules; conferring subpoena powers; amending Minnesota Statutes 1976, Section 3.965, by adding a subdivision.

Referred to the Committee on Judiciary.

H. F. No. 1766: A bill for an act relating to state lands; authorizing the conveyance by the state of certain lands in Beltrami county.

Referred to the Committee on Agriculture and Natural Resources.

H. F. No. 1940: A bill for an act relating to the environmental education board; transferring the board to the department of natural resources.

Referred to the Committee on Governmental Operations.

H. F. No. 1225: A bill for an act relating to Ramsey county and the city of Saint Paul; changing the name of the Ramsey county hospital and sanitarium commission; further prescribing its powers and duties, removing obsolete provisions; amending Laws 1974, Chapter 435, Section 3.14.

Referred to the Committee on Local Government.

H. F. No. 1793: A bill for an act relating to Ramsey county; authorizing the county to issue general obligation bonds for the costs of construction of a county nursing home; amending Laws 1974, Chapter 435, by adding a section.

Referred to the Committee on Local Government.

H. F. No. 1966: A bill for an act relating to motor vehicles; extending protection provided by motor vehicle dealer surety bonds; authorizing the issuance of nontransferable certificates of title; changing the definition of a bus; amending Minnesota Statutes 1976, Sections 168A.07, Subdivision 2; 171.01, Subdivision 19; Minnesota Statutes, 1977 Supplement, Section 168.27, Subdivision 24.

Referred to the Committee on Commerce.

H. F. No. 1736: A bill for an act relating to state-leased buildings and sites for state meetings; concerning the handicapped; requiring state-leased buildings and sites for state meetings to be accessible to the handicapped; amending Minnesota Statutes 1976, Section 471.467, by adding subdivisions.

Referred to the Committee on Governmental Operations.

H. F. No. 1859: A bill for an act relating to retirement; providing for an exclusion from public pension coverage for those persons covered by certain federal public service employment programs in compliance with federal regulations; establishment of reserve accounts for certain provisional members; amending Min-

nesota Statutes 1976, Sections 69.29; 136.80, Subdivision 1; 352B.01, Subdivision 2; 353.64, by adding a subdivision; 354A.10; 423.23; 423.372; 423.43; 423.801, Subdivision 2; 424.03; Chapter 356; by adding sections; and Laws 1969; Chapter 950, Section 1; Minnesota Statutes, 1977 Supplement, Sections 352.01, Subdivision 2B; 353.01, Subdivision 2b; 354.05, Subdivision 2; and 422A.09, Subdivision 3.

Referred to the Committee on Governmental Operations.

H. F. No. 1997: A bill for an act relating to commerce; regulating interest rates; providing loan yield computations; providing investigation powers; amending Minnesota Statutes 1976, Sections 51A.39, Subdivision 1; 56.19; 334.02; 334.03; Chapter 46, by adding a section; Minnesota Statutes, 1977 Supplement, Section 47.20, Subdivisions 2, 4, and 13.

Referred to the Committee on Commerce.

H. F. No. 1767: A bill for an act relating to the city of Anoka; fire department relief association benefits; amending Laws 1971, Chapter 184, Section 1, Subdivisions 2, 3, 4, 5 and 6, as amended; and Section 2, Subdivision 2, as amended.

Referred to the Committee on Governmental Operations.

H. F. No. 1781: A bill for an act relating to the city of Maplewood; authorizing the payment of lump sum service pensions by the Maplewood firefighters relief association.

Referred to the Committee on Governmental Operations.

H. F. No. 1821: A bill for an act relating to the city of Brainerd; firefighters' service pensions; amending Laws 1973, Chapter 170, Section 1.

Referred to the Committee on Governmental Operations.

H. F. No. 1866: A bill for an act relating to the firefighters' relief association of the city of Karlstad; computation of years of service for volunteer firefighters.

Referred to the Committee on Governmental Operations.

H. F. No. 2000: A bill for an act relating to rates of interest on money; permitting higher interest rates for loans secured by savings and time deposit accounts; amending Minnesota Statutes 1976, Chapter 334, by adding a section.

Referred to the Committee on Commerce.

REPORTS OF COMMITTEES

Mr. Borden moved that the Committee Reports at the Desk be now adopted, with the exception of the report on S. F. No. 2079 and the reports pertaining to appointments. The motion prevailed.

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 1750: A bill for an act relating to examining and licensing boards; concerning public health; requiring information at the time of license application; allowing the collection of information at the time of license renewal; amending Minnesota Statutes 1976, Chapter 214, by adding sections.

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

Page 1, line 10, strike "214" and insert "144"

Page 1, line 12, strike "214.061" and insert "144.051"

Page 1, line 20, strike "summary"

Page 1, line 22, before the period, insert "*as defined in section 214.01, subdivision 2*"

Page 2, line 2, strike "*of this act*"

Page 2, line 6, strike "214" and insert "144"

Page 2, line 8, strike "214.062" and insert "144.052"

Page 2, line 8, after "*commissioner*" insert "*, after consultation with the health related licensing boards as defined in section 214.01, Subdivision 2,*"

Page 2, strike line 12 after "*shall*"

Page 2, strike line 13

Page 2, line 14, strike "*limited to,*" and insert "*include*"

Page 2, strike line 16 after "*background*" and insert "*or similar information needed in order to make decisions pertaining to health manpower.*"

Page 2, strike line 17

Page 2, line 28, after "*materials*" insert "*, provided, however, that the collection of health manpower data by the commissioner shall not cause the licensing boards to incur additional costs or delays with regard to the license renewal process*"

Amend the title as follows:

Line 7, strike "214" and insert "144"

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S. F. No. 1067: A bill for an act relating to highway traffic regulations; equipment on certain vehicles to meet certain requirements; prohibiting the sale, other than to a dealer, of certain vehicles with unsafe tires; providing penalties; amending Minnesota

Statutes 1976, Sections 169.721, by adding subdivisions; 169.723; 169.724; 169.725; 169.726; and 169.727; repealing Minnesota Statutes 1976, Sections 169.721, Subdivision 3; and 169.722.

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

Page 1, line 17, after "*strands*" insert "*of fiber or other material*"

Page 1, line 20, strike "*under*" and insert "*between*"

Page 1, line 20, strike "*area*" and insert "*and the plies*"

Page 1, line 24, before the period insert "*placed at an angle to the direction of the tread ribs and forming the body of the tire*"

Page 2, line 4, strike the comma

Page 2, line 5, strike everything before "*from*"

Page 2, line 7, strike "*the*" and insert "*a*"

Page 2, line 10, strike "*tread grooves*" and insert "*a groove*"

Page 2, line 10, after "*during*" insert "*the*"

Page 2, line 11, strike "*disrupt*" and insert "*alter*"

Page 2, line 11, strike "*tread*"

Page 2, line 11, after "*pattern*" insert "*of the tread ribs*"

Page 2, line 19, after "*depth*" insert "*or any tire that does not have tread wear indicators*"

Page 2, line 22, strike everything after "*tire*" and insert a semicolon

Page 2, strike line 23

Page 2, line 32, strike "*the body cords*" and insert "*any cord*"

Page 3, line 8, strike "*the highways*" and insert "*any street or highway*"

Page 3, line 11, strike "*an*" and insert "*any*"

Page 3, line 16, strike "*tires*"

Page 3, line 17, strike "*in violation of sections 169.721 to 169.727,*"

Page 3, line 18, before "*may*" insert "*any unsafe tire*"

Page 3, line 21, strike "*the tires of*" and insert "*any tire mounted on*"

Page 3, line 21, strike "*are in violation*" and insert "*is unsafe*"

Page 3, line 22, strike "*such*"

Page 3, line 22, strike "*, and*"

Page 3, line 23, strike everything before the period and insert "*of section 169.724*"

Page 3, line 29, strike "the public highways" and insert "*any street or highway*"

Page 3, line 29, strike ", unless the passenger"

Page 3, strike line 30

Page 3, line 32, strike the underlined language and insert "*any unsafe tire mounted thereon*"

Page 4, line 1, strike "If the tires are not in compliance"

Page 4, line 1, strike ", the"

Page 4, line 2, before "person" insert "*The*"

Page 4, line 2, strike "the" and insert "a"

Page 4, line 3, after "automobile" insert "*with any unsafe tire mounted thereon*"

Page 4, line 3, before "tires" insert "*unsafe*"

Page 4, line 5, before "tires" insert "*other*"

Page 4, line 5, strike "in compliance"

Page 4, line 5, before the semicolon insert "*not unsafe*"

Page 4, line 8, strike "tires" and insert "*any unsafe tire*"

Page 4, line 8, strike "not in"

Page 4, line 9, strike "compliance with"

Page 4, line 9, strike the underlined language

Page 4, line 13, strike "169.721 to 169.727" and insert "*169.724*"

Page 4, line 13, restore the stricken "or"

Page 4, line 14, before "is" insert "*169.726*"

Page 4, line 15, after the period, insert "*Correction of the defect or replacement of the unsafe tire with a tire that is not unsafe prior to appearance in court shall result in dismissal of a charge of a violation of section 169.724.*"

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

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

S. F. No. 1797: A bill for an act relating to public safety; requiring fencing of unused open pit mines; providing a penalty.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 180.03, is amended to read:

180.03 [DUTIES.] *Subdivision 1.* The duties of the inspector of mines shall be to visit in person or by one of his assistants all the working mines of his county at least once every 90 days and oftener if requested so to do as hereinafter provided, and closely inspect the mines so visited and condemn all such places where he shall find that the employees are in danger from any cause, whether resulting from careless mining or defective machinery or appliances of any nature; he shall compel the erection of a partition between all shafts where hoisting of ore is performed, and where there are ladder ways, where men must ascend or descend going to and from their work. In case the inspector of mines shall find that a place is dangerous from any cause, as aforesaid, it shall be his duty immediately to order the men engaged in the work at that place to quit work, and notify the superintendent, agent, or person in charge to secure the place from the existing danger, which notification or order shall be in writing, clearly define the limits of the dangerous place, and specify the work to be done or change to be made to render the same secure, ordinary mine risks excepted. It shall be the duty of the inspector of mines to order the person, persons, or corporation working any mine, or the agent, superintendent, foreman, or other person having immediate charge of the working of any mine, to furnish all shafts, open pits, caves, and chutes of such mine where danger exists with some secure safeguard at the top of the shaft, open pit, cave, or chute, so as to guard against accidents by persons falling therein or by material falling down the same, also a covering overhead on all the carriages on which persons ascend or descend up and down the shaft, if in his judgment it shall be practicable and necessary for the purpose of safety.

Subd. 2. Every person, firm or corporation that is or has been engaged in the business of mining or removing iron ore, taconite, semitaconite or other minerals, except sand and gravel, by the open pit method in any county which has appointed an inspector of mines pursuant to section 180.01 shall erect two inch by four inch mesh fencing along the outside perimeter of the excavation, open pit, or shaft of any mine in which mining operations have ceased for a period of six consecutive months or longer. The top and bottom wire shall not be less than nine gauge and the filler wire shall not be less than 11 gauge. The fencing shall be not less than five feet in height with two strands of barbed wire six inches apart affixed to the top of the fence. The fence posts shall be no more than ten feet apart. In the case of open pit mines in which mining operations cease after the effective date of this act, the fencing shall be erected forthwith. In the case of open pit mines in which mining operations had ceased for a period of six consecutive months or longer before the effective date of this act, and not resumed, the fencing shall be erected within one year after the effective date of this act. Any fencing required by an inspector of mines pursuant to subdivision 3 or other applicable law shall meet the standards of this section as a minimum. This subdivision does not apply to any excavation, open pit, or shaft, or any portion thereof, exempted from its application by the commissioner of natural resources pursuant to laws relating to mineland reclamation.

Subd. 3. When any mine is idle or abandoned it shall be the duty of the inspector of mines to notify the person, persons firm, or corporation owning the land on which any such mine is situated, or the agent of such owner or owners, that is or has been engaged in the business of mining to erect and maintain around all the shafts, caves, and open pits of such mines a fence or railing suitable to prevent persons or domestic animals from accidentally falling into these shafts, caves or open pits. If the person, firm or corporation that has been engaged in the business of mining no longer exists, the fee owner shall erect the fencing required by this act. The notice shall be in writing and be served upon such person, firm, corporation or fee owner; owners, or agent, personally, or by leaving a copy at the residence of any such owner or agent if they or any of them reside in the county where such mine is situated, and if such owner, owners or agent are not residents of the county, such notice may be given by publishing the same in one or more newspapers printed and circulated in the county, if there be one, and if no newspaper be published in the county, then in a newspaper published in some adjoining county, for a period of three consecutive weeks certified mail.

Subd. 4. The county mine inspector may exempt from the requirements of subdivision 2, any abandoned excavation, open pit, or shaft which, on the date of enactment of this law, is fenced in a manner that is reasonably similar to the standards set forth in subdivision 2.

Sec. 2. [EFFECTIVE DATE.] This act is effective on November 1, 1978."

Amend the title as follows:

Line 3, after "penalty" insert "; amending Minnesota Statutes 1976, Section 180.03"

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

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 1733: A bill for an act relating to public health; requiring certain immunizations for students; amending Minnesota Statutes 1976, Section 123.70.

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

Page 1, line 10, strike "his"

Page 1, line 14, strike "signed by" and insert "from"

Page 1, line 14, after "physician" insert "or a public clinic which provides immunizations"

Page 1, strike line 18 after "mumps"

Page 1, line 19, strike "effective"

Page 1, line 20, strike "signed by" and insert "from"

Page 1, line 20, after "physician" insert "or a public clinic which provides immunizations"

Page 1, line 22, strike "he" and insert "the child"

Page 2, line 5, strike "his" and insert "the"

Page 2, line 5, after "health" insert "of the child" and reinstate the stricken "or"

Page 2, line 8, strike "he" and insert "the child"

Page 2, line 10, strike "; or" and insert a period

Page 2, strike lines 11 to 14

Page 2, line 15, strike the new language

Page 2, strike lines 16 to 22 and insert:

"No child who has commenced a treatment schedule of immunization pursuant to subdivision 1, clause (2) may remain enrolled in any school in this state after ten months of enrollment unless there is submitted to the principal, or other person having general control and supervision of the school, a statement from a physician or a public clinic which provides immunizations that the child has completed the schedule of immunizations for diphtheria, tetanus, pertussis, and polio."

Page 2, after line 28, insert:

"Subd. 5. If the commissioner of health finds that an immunization required pursuant to this section is not necessary to protect the health of the public, he may suspend for one year the requirement that children receive that immunization prior to enrolling in school."

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

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 1949: A bill for an act relating to municipal police and fire civil service commissions; requiring that commissioners be appointed by city councils; limiting the commissioner's power to prescribe employment requirements; amending Minnesota Statutes 1976, Sections 419.02; 419.05; 419.06; 420.06; and 420.07.

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

Page 3, line 5, strike "Subject to the"

Page 3, line 6, strike "provisions of section 419.06,"

Page 3, line 11, after the period, insert: *"The commission may not, however, prescribe any residency requirements for the positions under its control, unless approved by the city council."*

Pages 3, 4, and 5, delete all of Sec. 3

Page 4, line 1, strike "*the approval of the city council,*"

Page 5, line 27, strike "*Subject to the provisions*"

Page 5, line 28, strike "*of section 420.07,*"

Page 6, line 4, after the period, insert: "*The commission may not, however, prescribe any residency requirements for the positions under its control, unless approved by the city council.*"

Strike Section 5 on pages 6 to 8

Amend the title as follows:

Page 1, line 7, after "419.06;" insert "and"

Page 1, line 7, strike "; and"

Page 1, line 8, strike "420.07"

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

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 1923: A bill for an act relating to St. Louis county; enlarging the courthouse building commission; requiring annual budget estimates and corresponding tax levies; amending Laws 1971, Chapter 171, Section 1.

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

Page 2, line 1, strike "*same*" and insert "*statement*"

Page 2, line 4, strike "*such*" and insert "*the*"

Page 2, line 10, strike "*in*"

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

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 1757: A bill for an act relating to health; ambulance service; providing for licensing of a specialized ambulance service; amending Minnesota Statutes, 1977 Supplement, Sections 144.801, Subdivisions 6, 7, and 9, and by adding a subdivision; 144.802, Subdivision 1; and 144.804, Subdivisions 2 and 3.

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

Page 1, before line 10, insert a section to read:

"Section 1. Minnesota Statutes, 1977 Supplement, Section 144.801, Subdivision 4, is amended to read:

Subd. 4. "Emergency ambulance service" means transportation and treatment which is rendered or offered to be rendered preliminary to or during transportation for wounded, injured, sick, invalid, or incapacitated persons, or expectant mothers, provided by any operator, *including those services provided by a specialized ambulance service.*"

Page 1, line 23, strike "land"

Page 1, line 23, after "emergency" insert "*, nonemergency or specialized*"

Page 2, line 1 after the first comma, insert "*whether by air or*"

Page 2, line 1, strike "nonemergency" and strike "service, land"

Page 2, strike lines 2 and 3 and line 4 before the period

Page 2, line 16, after "*facilities*" insert "*, clinics or physicians' offices*"

Page 2, line 19, after "*equipment*" insert "*, as ordered by a physician*"

Page 2, line 23, after "*facility*" insert "*, clinic or physicians' office*"

Page 2, line 27, strike "a land" and insert "an"

Page 2, line 27, after "emergency" insert "*, nonemergency, or specialized*"

Page 2, line 27, after the comma insert "*whether by air or*"

Page 2, line 28, strike "nonemergency" and strike "service," and the new language

Page 2, strike lines 29 and 30

Page 2, line 31, strike "*ambulance service*"

Page 3, line 2, strike "*special*" and insert "*types of specialized care,*"

Page 3, line 4, after the period insert "*The specialized ambulance service license shall be limited to the provision of the types of specialized care set forth in the license application.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after "subdivisions" insert "4,"

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

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 1808: A bill for an act relating to retirement; providing for biennial local police and paid fire fund actuarial valuations; amending Minnesota Statutes 1976, Sections 69.77, Subdivisions 1, 2 and by adding a subdivision; 69.773, Subdivision 2; 69.78; 356.20,

Subdivision 2; 356.215, Subdivisions 2 and 4; Chapter 356, by adding a section; Laws 1955, Chapter 75, Section 9, as added and Section 12, as amended; Laws 1959, Chapter 131, Section 10, Subdivision 1, as amended; Laws 1965, Chapter 446, Section 7, Subdivision 1; Laws 1965, Chapter 458, Section 3, Subdivision 2; Laws 1965, Chapter 498, Section 1, Subdivision 1; Laws 1967, Chapter 736, Section 11, Subdivision 1; Laws 1967, Chapter 775, Section 8; Laws 1967, Chapter 798, Section 1, Subdivisions 1 and 2; Laws 1969, Chapter 576, Section 1; Laws 1969, Chapter 641, Section 2, Subdivision 1; Laws 1971, Chapter 51, Section 9, and Section 10, Subdivisions 1 and 2; Laws 1971, Chapter 810, Section 7; Laws 1973, Chapter 587, Section 1; Laws 1975, Chapter 424, Sections 10 and 11; repealing Minnesota Statutes 1976, Sections 69.71; 69.72; 69.73; 69.74; 69.75; 69.76; 490.131, and Laws 1963, Chapter 643, Section 27.

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

Page 2, line 17, before the period, insert "*relating to the funding or financing of the association*"

Page 2, line 18, after "*if a*" insert "*municipality with a*"

Page 2, line 20, before the second "*provisions*" insert "*funding or financing*"

Page 4, line 8, after "*before*" insert "*the date established by the municipality, which shall not be later than*"

Page 4, line 8, after "*September 1*" insert "*and shall not be earlier than August 1,*"

Page 4, line 21, strike "*8 and 9*" and insert "*10 and 11*"

Page 7, line 11, strike "*9*" and insert "*11*"

Page 7, line 16, strike "*9*" and insert "*11*"

Page 7, line 18, after "*survey*" insert "*and the quadrennial experience study*"

Page 8, line 4, strike "*9*" and insert "*11*"

Page 8, line 19, strike "*9*" and insert "*11*"

Page 9, after line 6, insert:

"Sec. 6. Minnesota Statutes 1976, Section 356.20, Subdivision 1, is amended to read:

356.20 [FINANCIAL REPORTS REQUIRED.] Subdivision 1. The governing or managing board or administrative officials of the public pension and retirement funds enumerated in subdivision 2 shall annually prepare and file a financial report following the close of each fiscal year. This requirement shall also apply to any fund which may be a successor to any organization so enumerated or to any newly formed retirement fund or association operating under the control or supervision of any public employee group, governmental unit, or institution receiving a

portion of its support through legislative appropriations, with the exception of any local police or fire fund now governed by ~~chapter 69~~ sections 69.771 to 69.776 . Such report shall be prepared under the supervision and at the direction of the management of each fund and shall be signed by its chairman and secretary."

Page 9, line 13, strike "Twin City lines" and insert "*Metropolitan transit commission—transit operating division*"

Page 9, line 21, stike "*returement*" and insert "*retirement*"

Page 9, after line 23, insert:

"Sec. 8. Minnesota Statutes 1976, Section 356.20, Subdivision 4, is amended to read:

Subd. 4. Each financial report required by this section shall include:

(1) An exhibit prepared according to applicable actuarial standards enumerated in section 356.215, by an approved actuary as defined in section 356.215, subdivision 6 showing the accrued assets of the fund, the accrued liabilities, including accrued reserves, and the accrued unfunded liability of the fund. Such exhibit shall contain the certificate of an approved actuary certifying that the required reserves for any benefits provided under a benefit formula are computed in accordance with the Entry Age Normal cost (Level Normal Cost) basis.

(a) Assets shown in the exhibit shall include the following items of actual assets:

- Cash in office
- Deposits in banks
- Accounts receivable:
- Accrued members' contributions
- Accrued employer contributions
- Other
- Accrued interest on investments
- Dividends on stocks, declared but not yet received
- Investment in bonds at amortized cost
- Investment in stocks at cost
- Investment in real estate
- Equipment at cost, less depreciation
- Other
- Total assets

(b) The exhibit shall include a statement of the unfunded accrued liability of the fund. Should the assets of the fund exceed

the liabilities, the excess shall be listed as surplus and indicated in the exhibit following the item of reserves.

(c) The exhibit shall include a footnote showing accumulated member contributions without interest.

(d) Current liabilities shown in the exhibit shall include the following items:

Current:

Accounts payable

Annuity payments

Survivor benefit payments

Refund to members

Accrued expenses

Suspense items

Total current liabilities.....

(e) The exhibit shall include an item for accrued necessary reserves which shall be listed as "total reserves required as per attached schedule." Such attached schedule shall contain the following information on the reserves required:

1. For active members
 - a. Retirement benefits
 - b. Disability benefits
 - c. Refundment liability due to death or withdrawal
 - d. Survivors' benefits
2. For deferred annuitants
3. For former members without vested rights
4. For annuitants
 - a. Retirement
 - b. Disability annuities
 - c. Surviving spouses' annuities
 - d. Surviving children's annuities
5. In addition to the foregoing, if there are additional benefits not appropriately covered by the foregoing four items of reserves required, they should be listed separately.

(2) An income statement on an accrual basis showing all income and all deductions from income for the fiscal year. It shall show separate items for employee contributions, employer regular contributions, employer additional contributions if provided by law, investment income, profit on the sale of investments, and other income, if any.

(3) A statement of deductions from income, which shall include separate items for benefit payments, retirement benefits, disability benefits, widows' benefits, surviving children's benefits, refundments to members terminating employment, refundments due to death of members and due to death of annuitants, the increase in total reserves required, general expense incurred, loss on sale of investments, and any other deductions.

(4) A statement showing appropriate statistics as to membership and beneficiaries of the fund, with indications of changes in such statistical data which may result from the current year's operation.

(5) Such additional statements or exhibits as will enable the management of the fund to portray a true interpretation of the fund's financial condition, except that the term "surplus" or the term "excess of assets" shall not be used except as otherwise specifically provided for in this section, nor shall any representation of assets and liabilities other than as provided for in this section be included in such additional statements or exhibits.

(6) A more detailed or subdivided itemization of any of the items required by this section, if the management of the fund so desires.

(7) For any police or firefighter's relief association referred to in subdivision 2, clause (13), a financial report duly filed pursuant to and meeting the requirements of section 69.051 shall be deemed to have met the requirements of this subdivision."

Page 10, line 10, strike "9" and insert "11"

Page 15, line 3, strike "8 and 9" and insert "10 and 11"

Page 15, line 16, strike "8 and 9" and insert "10 and 11"

Page 17, line 19, strike "8 and 9" and insert "10 and 11"

Page 18, line 16, strike "8 and 9" and insert "10 and 11"

Page 19, line 7, strike "8 and 9" and insert "10 and 11"

Page 20, line 6, strike "8 and 9" and insert "10 and 11"

Page 21, line 1, strike "8 and 9" and insert "10 and 11"

Page 21, line 12, strike "8 and 9" and insert "10 and 11"

Page 23, line 18, strike "8 and 9" and insert "10 and 11"

Page 25, line 32, strike "8 and 9" and insert "10 and 11"

Page 28, line 8, strike "8 and 9" and insert "10 and 11"

Page 28, line 16, strike "8" and insert "10"

Page 28, line 17, strike "9" and insert "11"

Page 30, line 2, strike "8" and insert "10"

Page 30, line 3, strike "9" and insert "11"

Page 31, line 19, strike "8 and 9" and insert "10 and 11"

Renumber the sections in sequence

Further, amend the title as follows:

Page 1, line 7, strike "Subdivision" and insert "Subdivisions 1,"

Page 1, line 7, after the first "2" and before the semicolon, insert "and 4"

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

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F No. 1807: A bill for an act relating to retirement; clarifying various ambiguous retirement provisions; removing various obsolete gender references; amending Minnesota Statutes 1976, Sections 352B.14, Subdivisions 3 and 4; 352B.26, Subdivisions 2 and 3; 352B.28; 352D.05, Subdivision 3; 423.37; 423.371, Subdivision 2; 423.377; 423.38; 423.381; 423.387; 423.48; 423.51; 423.52; 423.58; 423.802, Subdivision 2; 423.810, Subdivisions 1 and 2; 424.16; 424.17; 424.24; 424.29; 424.31; Minnesota Statutes, 1977 Supplement, Sections 69.772, Subdivision 2; 352.B.08, Subdivision 2; 422A.09, Subdivision 3; and 422A.33, Subdivision 3; Laws 1969, Chapter 1088, Section 4, Subdivision 4; and Laws 1977, Chapter 61, Section 5; repealing Minnesota Statutes 1976, Sections 423.22 to 423.36; and 425.01 to 425.09.

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

Page 1, line 23, after "Subd. 2." insert "*For every firefighters' relief association which allows a service pension when a retiring member meets the minimum requirements of section 69.06 and which requires service credit for a period of service less than 20 years of active service,*"

Page 2, after line 16, insert:

"For every firefighters' relief association which allows a service pension when a retiring member meets the minimum requirements of section 69.06 and which requires service credit for a period of service of at least 20 years of active service, the following table shall be used to determine the liability of the special pension fund of the firefighters' relief association relative to each active or deferred member of the fund, calculated individually:

<u>Cumulative Year</u>	<u>Accrued Liability</u>
1	\$30
2	62
3	95
4	130
5	167
6	205
7	246

<u>Cumulative Year</u>	<u>Accrued Liability</u>
8	288
9	333
10	380
11	429
12	481
13	535
14	592
15	652
16	714
17	780
18	849
19	922
20	1000
21 and thereafter	50 additional per year"

Page 2, line 21, strike "15" and insert "after obtaining the minimum"

Page 2, after line 30, insert:

"Sec. 2. Minnesota Statutes 1976, Section 352B.05, is amended to read:

352B.05 [INVESTMENTS.] The state board of investment is hereby authorized to invest and reinvest such funds of the association as in the judgment of the ~~officers of this association~~ *executive director of the Minnesota state retirement system* are not needed for immediate purposes, in such securities as are duly authorized or legal investments for the Minnesota state retirement system, and shall have authority to sell, convey, and exchange such securities and invest and reinvest the funds when it deems it desirable to do so, and shall sell securities upon request from the ~~officers of the association~~ *executive director* when such ~~officers determine~~ *the executive director determines* funds are needed for its purposes. All of the provisions regarding accounting procedures and restrictions and conditions for the purchase and sale of securities for the Minnesota state retirement system shall apply to the accounting, purchase and sale of securities for the highway patrolmen's retirement fund.

Sec. 3. Minnesota Statutes 1976, Section 352B.06, is amended to read:

352B.06 [RETIREMENT FUND.] There is hereby created the highway patrolmen's retirement fund. The fund shall consist of all moneys credited to the fund on May 8, 1973, including all moneys and assets heretofore transferred to the fund from the state police officers' retirement fund, all salary deductions from members and all moneys paid from state funds by department heads in accordance with section 352B.02, and any other moneys received by the association in the form of donations, gifts, bequests, appropriations, or otherwise. The legislative auditor shall audit the fund and the ~~officers of the fund~~ *executive director of the Minnesota state retirement system* shall have made an actuarial

study of the fund in accordance with chapter 356, the cost of which shall be borne by the fund.”

Page 3, line 17, after “member” insert “with 10 or more years of service”

Page 3, line 18, before the stricken language, insert “and the” and reinstate the stricken language

Page 3, line 18, strike “10” and insert “20”

Page 3, line 19, reinstate the stricken language and strike the new language

Page 3, line 20, strike the new language

Page 6, line 25, strike “The”

Page 6, strike lines 26, 27, 28, 29 and 30

Page 9, after line 15, insert a section to read:

“Sec. 12. Minnesota Statutes 1976, Chapter 422A, is amended by adding a section to read:

[422A.091] [PENSION COVERAGE FOR CERTAIN EMPLOYEES OF THE METROPOLITAN AIRPORTS COMMISSION.] *Any person first employed as either a full time firefighter or a full time police officer by the metropolitan airports commission after June 30, 1978, who is not eligible for coverage under the agreement signed between the state and the secretary of the federal department of health, education and welfare making the provisions of the federal old age, survivors and disability insurance act applicable to municipal employees because that position is excluded from application pursuant to Title 42, United States Code, Sections 418 (d) (5) (A) and 418 (d) (8) (D) and section 355.07, shall not be a member of the Minneapolis municipal employees retirement fund but shall be a member of the public employees police and fire fund and shall be deemed to be a firefighter or a police officer within the meaning of section 353.64. The metropolitan airports commission shall make the employer contribution required pursuant to section 353.65, subdivision 3, with respect to each of its firefighters or police officers covered by the public employees police and fire fund and shall meet the employers recording and reporting requirements set forth in section 353.65, subdivision 4.”*

Page 32, line 18, after “complete” insert “and file”

Page 32, line 26, after “32.” insert “Section 11 shall be effective for elective officers first holding elective city office after the effective date of this act and shall not apply to any incumbent elective officers holding elective city office on the effective date of this act.”

Renumber the sections in sequence

Further, amend the title as follows:

Page 1, line 5, after “Sections” insert “352B.05; 352B.06;”

Page 1, line 11, after "424.31" insert "; Chapter 422A, by adding a section;"

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

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 2123: A bill for an act relating to the operation of state government; providing for the auditing of state agencies by the legislative auditor; prescribing the terms of office and conditions of employment for the legislative auditor, his deputies and employees; establishing review and approval procedures for audits conducted by certain outside accountants; requiring the housing finance agency and certain other agencies to receive approval for certain auditing contracts; amending Minnesota Statutes 1976, Sections 3.97, Subdivisions 4 and 5; 3.971, Subdivision 1; 3.972; 3.974; and Minnesota Statutes, 1977 Supplement, Section 462A.22, Subdivision 10.

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

Page 1, line 25, strike "four" and insert "six"

Page 2, line 6, after "commission" insert "after a public meeting before the commission by a two-thirds vote of the members of that body"

Page 2, line 13, strike "fourth" and insert "sixth"

Page 5, line 7, strike "consistent" and insert "inconsistent"

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

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 712: A bill for an act relating to metropolitan government; removing the city of New Prague from definitions of metropolitan areas; amending Minnesota Statutes 1976, Sections 473.121, Subdivision 2; 473.123, Subdivision 3; 473.403; 473F.02, Subdivisions 2 and 8.

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

Page 1, after line 16, insert:

"Sec. 2. Minnesota Statutes 1976, Section 473.123, Subdivision 1, is amended to read:

473.123 [METROPOLITAN COUNCIL.] Subdivision 1. [CREATION.] A metropolitan council with jurisdiction in the metropolitan area consisting of the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington, is created. It

shall be under the supervision and control of 17 members, all of whom shall be residents of the metropolitan area."

Page 12, after line 23, insert:

"Sec. 4. Minnesota Statutes 1976, Section 473.249, Subdivision 1, is amended to read:

473.249 [TAX LEVY.] Subdivision 1. The metropolitan council may levy a tax on all taxable property in the counties named in the metropolitan area defined in section 473.121 to provide funds for the purposes of sections 473.121 to 473.249 and for the purpose of carrying out other responsibilities of the council as provided by law. The tax shall not exceed eight-thirtieths of one mill on each dollar of assessed valuation of all such taxable property, and shall be levied and collected in the manner provided by section 473.08."

Page 13, after line 17, insert:

"Sec. 8. *Notwithstanding any law to the contrary, the entire city of New Prague shall be a part of region nine established pursuant to sections 462.381 to 462.397.*

Sec. 9. *The provisions of this act, changing the boundaries of the metropolitan area and the metropolitan transit area, shall not be deemed to impair the rights of holders of outstanding indebtedness to require the levy of property taxes, if necessary to provide for any deficiency in accordance with the conditions of such indebtedness, on all property within the limits of the metropolitan area or the metropolitan transit area as the limits were in effect at the date of issuance of the indebtedness.*"

Renumber the sections in sequence

Further, amend the title as follows:

Page 1, line 4, after "areas;" insert "adding the city of New Prague to region nine;"

Page 1, line 6, delete "Subdivision" and insert "Subdivisions 1 and"

Page 1, line 6, after "3;" insert "473.249, Subdivision 1;"

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

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

S. F. No. 1915: A bill for an act relating to workers' compensation; changing the definition of family farms; amending Minnesota Statutes, 1977 Supplement, Section 176.011, Subdivision 11a.

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

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

S. F. No. 1753: A bill for an act relating to workers' compensation; providing for the coverage of certain farm and business owners and employees; amending Minnesota Statutes, 1977 Supplement, Section 176.012.

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

Page 1, line 12, strike "*small*"

Page 1, line 20, after "or" insert "*family farm*"

Page 1, line 21, strike "corporation" and insert "*corporations, as defined in section 500.24, subdivision 1, clause (c),*"

Page 2, line 5, strike "*For the purpose of this*"

Page 2, strike lines 6 to 9

Amend the title as follows:

Page 1, line 4, after "employees" insert "upon election"

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

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

S. F. No. 1721: A bill for an act relating to county agricultural societies; providing for tort liability of county agricultural societies; authorizing county boards to levy a tax to pay certain judgments or liability insurance premiums; amending Minnesota Statutes 1976, Sections 38.27, by adding a subdivision; 466.01, Subdivision 1; and Chapter 38, by adding a section.

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

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

S. F. No. 1824: A bill for an act relating to civil actions; providing for the issuance of process in proceedings supplementary to execution; amending Minnesota Statutes 1976, Section 575.02.

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

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

S. F. No. 1740: A bill for an act relating to minors; amending definition of criminal nonsupport of children to include children between 16 and 18 years of age; amending Minnesota Statutes 1976, Section 609.37.

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

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

S. F. No. 1946: A bill for an act relating to marijuana; retroactively reducing past convictions involving a small amount of marijuana to a petty misdemeanor; amending Minnesota Statutes 1976, Section 152.18, by adding a subdivision.

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

Page 1, line 15, strike "*present*"

Page 1, line 16, after "(5)" insert "*in effect on the effective date of this act*"

Page 1, line 19, strike "*such person*" and insert "*he*"

Page 1, line 22, after "*to*" insert "*his*"

Page 2, line 1, strike "*; and upon*" insert a period

Page 2, line 2, strike "*petition*"

Page 2, line 3, strike "*such*" and insert "*the*"

Page 2, line 5, after "*entered*" insert "*pursuant to this subdivision*"

Page 2, line 8, after "*misdemeanor*" insert "*, unless possession of marijuana is material to a proceeding*"

Page 2, after line 8, insert

"*Sec. 2. This act is effective April 11, 1978.*"

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

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

H. F. No. 267: A bill for an act relating to negligence; proscribing certain liability of good samaritans; amending Minnesota Statutes 1976, Section 604.05.

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

Page 1, line 10, reinstate "*and in the exercise of reasonable care*"

Page 1, line 15, strike "*unless that person acts in a willful or*"

Page 1, line 16, strike "*wanton manner in providing the care*"

Amend the title as follows:

Page 1, line 2, strike "*proscribing certain*" and insert "*defining*"

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

Mr. McCutcheon from the Committee on Taxes and Tax Laws, to which was referred

S. F. No. 1581: A bill for an act relating to taxation; clarifying the exclusion from gross income allowed for public pensions; amending Minnesota Statutes, 1977 Supplement, Section 290.08, Subdivision 6.

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

Pages 1 and 2, strike section 1 and insert:

"Section 1. Minnesota Statutes, 1977 Supplement, Section 290.08, Subdivision 6, is amended to read:

Subd. 6. [PUBLIC OR PRIVATE PENSIONS OR RETIREMENT BENEFITS.] Notwithstanding the provisions of any other law to the contrary amounts, including interest, ~~not in excess of \$7,200~~ received by any person (i) from the United States, the Federal Reserve Bank or from the state of Minnesota or any of its political or governmental subdivisions or from any other state or its political or governmental subdivisions, or a Minnesota volunteer fireman's relief association, ~~either as a refund of contributions to, or by way of payment as a pension, public employee retirement benefit, or any combination thereof, or (ii) as a retirement benefit made from a plan qualifying under section 401, 404, 405, 408 or 409 of the Internal Revenue Code of 1954, as amended through December 31, 1977; provided that the amount of exclusion provided for in this subdivision shall be reduced by . This exclusion shall not exceed \$7,200 less social security and railroad retirement benefits plus any earned income as defined in section 37 (e) (8) (B) of the Internal Revenue Code of 1954, as amended through December 31, 1976, which is received during the taxable year."~~

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

H. F. No. 1744: A bill for an act relating to mobility disabled persons; requiring installation and use of wheelchair securement devices in vehicles used for transporting wheelchair users; providing for inspection of wheelchair securement devices; requiring other safety measures in vehicles used for transporting wheelchair users; authorizing the admissibility of certain evidence in litigation; providing penalties.

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

Strike everything after the enacting clause and insert:

"Section 1. [DEFINITIONS.] The following terms have the definitions given them for the purposes of sections 1 to 8:

(a) "Wheelchair securement device" or "seurement device" means an apparatus installed in a motor vehicle for the purpose of securing an occupied wheelchair into a location in the vehicle and preventing movement of that wheelchair while the vehicle is in motion.

(b) "Operator" means any person, firm, partnership, corporation, service club, public or private agency, city, town or county. The provisions of this act shall not apply to any school bus as defined in Minnesota Statutes, Section 169.01, Subdivision 6, which is subject to regular school bus inspections pursuant to Minnesota Statutes, Section 169.451.

(c) "Transportation service" means the transportation by motor vehicle of any sick, injured, invalid, incapacitated, or handicapped individual while seated in a wheelchair, which transportation is offered or provided by any operator to the public or to its employees or in connection with any other service offered by the operator including schooling or nursing home, convalescent or child care services.

Sec. 2. [WHEELCHAIR SECUREMENT DEVICES.] Subdivision 1. Any vehicle used by an operator to provide transportation service shall be equipped with wheelchair securement devices which are approved by the commissioner of public safety as meeting the specifications of this subdivision. A wheelchair securement device shall prevent any forward, backward or lateral movement of an occupied wheelchair when the device is engaged and the vehicle is in motion, accelerating or braking, and shall attach to the wheelchair without damaging it. Wheelchair securement devices installed in any vehicle shall be maintained in working order.

Subd. 2. A vehicle used to provide transportation service shall carry only as many persons seated in wheelchairs as the number of securement devices approved by the commissioner of public safety as meeting the specifications of subdivision 1 with which the vehicle is equipped, and each occupied wheelchair shall be secured by such a securement device before the vehicle is set in motion.

Sec. 3. [ADDITIONAL SAFETY REQUIREMENTS.] Subdivision 1. Any vehicle used to provide transportation service shall be equipped with seat belts to secure the wheelchair user. The seat belts may be used only to secure the person and shall not be used to secure the wheelchair. The seat belts shall meet all applicable federal and state requirements for safety.

Subd. 2. When transportation service is provided to an individual in an electrically powered wheelchair, the main power switch of the wheelchair shall be placed in the "off" position at all times while the vehicle is in motion.

Sec. 4. [INSPECTION.] Subdivision 1. No person shall drive and no operator shall knowingly permit or cause a vehicle to be used for transportation service unless there is displayed thereon a certificate issued upon inspection by the commissioner of public safety as provided in this section.

Subd. 2. Inspection shall be made by personnel in the department of public safety assigned to the highway patrol. An operator of transportation services shall submit a vehicle for inspection after the installation of a wheelchair securement device in the vehicle and before using the vehicle for transportation service, but not later than one month after the date of installation. Evidence of the date of installation shall be provided by the operator at the inspection.

Subd. 3. The inspection shall be made to determine that the vehicle complies with the provisions of section 2, subdivision 1 and section 3, subdivision 1; that the securement device is in working order; and that the securement device is not in need of obvious repair. The inspection may include testing the use of a securement device while the vehicle is in motion.

Subd. 4. A certificate furnished by the commissioner shall be issued upon completion of inspection if the vehicle complies with the requirements set forth in subdivision 3. The certificate shall be affixed to the lower left corner of the windshield. It shall note compliance with this section, record the number of wheelchairs which may be simultaneously carried in the vehicle, and note the month and year in which the next inspection is required.

Subd. 5. Subsequent inspections shall be made annually. If additional securement devices are installed in a vehicle already equipped with a securement device, inspection is required as specified in subdivision 2.

Sec. 5. No agency of the state, political subdivision or other public agency shall grant or approve any financial assistance to any operator for the purchase or operation of any vehicle used for transportation service or grant any permit or license otherwise required by law for operation of that service unless the operator of the transportation service complied with the provisions of sections 1 to 4.

Sec. 6. [EVIDENCE.] Proof of the installation or failure to install wheelchair securement devices, or proof of faulty installation of wheelchair securement devices, or proof of the maintenance or failure to properly maintain wheelchair securement devices, or proof of the use or failure to use wheelchair securement devices is admissible in evidence in any litigation involving personal injuries or property damage arising out of the use or operation of a vehicle providing transportation service.

Sec. 7. [PENALTY.] For each failure to comply with any requirement of sections 2, 3 or 4 an operator is guilty of a misdemeanor.

Sec. 8. [RULES; APPROVAL OF DEVICES.] The commissioner of public safety shall, no later than July 1, 1979, adopt rules containing standards for wheelchair securement devices that meet the requirements of sections 2 and 3 and shall approve or disapprove of securement devices that meet those standards.

Sec. 9. [EFFECTIVE DATE.] This act is effective upon the adoption of rules as required by section 8."

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

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 1780: A bill for an act relating to mobile homes; exempting certain mobile home sales and leases from sales taxation; changing property tax treatment of certain mobile homes; establishing a system of licensure of mobile home dealers, salesmen, brokers and installers; providing penalties; amending Minnesota Statutes 1976, Sections 273.13, Subdivision 3, and by adding a subdivision; 274.19, Subdivision 3; 297A.25, Subdivision 1; 327.31, Subdivision 4; 327.51, as amended; 327.55; and Chapter 327, by adding sections; and Minnesota Statutes, 1977 Supplement, Section 273.13, Subdivisions 4 and 7.

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

Page 12, line 32, reinsert the stricken "administration"

Page 12, line 32, after the reinserted "administration" insert "in respect to sections 327.31 to 327.34 and the commissioner of"

Page 12, line 32, after "commerce" insert "in respect to sections 327.51 to 327.55"

Page 13, line 2, strike "327.31 to 327.56" and insert "327.51 to 327.55"

Pages 13 to 24, strike sections 9 to 14

Page 24, after line 19, insert:

"Sec. 9. [REPORT.] The commissioners of securities and administration shall prepare and submit to the legislature no later than June 30, 1979, a report with recommendations discussing the desirability of regulating the sale and installation of mobile homes. The report shall evaluate the need for regulating each aspect and each profession involved in the sale and installation, and shall suggest specific statutory amendments where appropriate. The commissioner shall appoint an advisory task force to advise on the preparation of the report. The task force shall be representative of persons and agencies interested in mobile home usage, sales and installation, and shall be governed by the provisions of section 15.059."

Renumber the remaining section

Page 24, line 23, strike "to 14" and insert "and 8"

Page 24, line 24, strike "December 31, 1978" and insert "June 30, 1979, or such earlier date as the commissioners of securities and administration certify that the transfer is appropriate. Section 9 is effective the day after final enactment and shall expire January 1, 1979"

Amend the title as follows:

Page 1, line 5, strike everything after "homes;"

Page 1, strike lines 6 and 7 and insert "transferring the regulation of mobile home dealers to the commissioner of securities and the commissioner of administration; requiring a report; amending"

Page 1, lines 11 and 12, strike "327.51, as amended; 327.55; and Chapter 327, by adding sections;"

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

H. F. No. 1879: A bill for an act relating to the trunk highway system; discontinuing and removing certain routes therefrom; adding a new route in substitution of an existing route.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was referred

S. F. No. 1859: A bill for an act relating to the St. Cloud metropolitan transit commission; providing paratransit services authority; permitting contracts for certain services; amending Laws 1969, Chapter 1134, Sections 1, Subdivision 5; and 3, by adding a subdivision.

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

Mr. Coleman from the Committee on Rules and Administration, to which was referred

S. F. No. 1608: A bill for an act relating to the legislature; providing that the organization of the legislature at the regular session continue during a special session; amending Minnesota Statutes 1976, Chapter 3, by adding a section.

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

Page 1, after line 15, insert:

"Sec. 2. [EFFECTIVE DATE.] *This act is effective the day following final enactment.*"

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

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

S. F. No. 1624: A bill for an act relating to highway traffic regulations; arrest; procedures; notice to appear; authorizing release

of certain traffic and motor vehicle law offenders upon written promise to appear in court, and specifying procedures upon non-appearance; providing for the suspension of driving privileges for violation of the written promise to appear; authorizing the commissioner of public safety to enter into reciprocal agreements; amending Minnesota Statutes 1976, Sections 169.91, Subdivisions 1 and 3; 169.92; 171.01, Subdivision 13; and 171.18.

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

Page 1, line 21, strike "*licensing*" and insert "*registration*"

Page 2, lines 18 to 22, strike the new language and insert "*, except as provided in subdivision 4 of this section*"

Page 2, line 32, strike "*, in quadruplicate,*" and insert "*a*"

Page 3, line 10, reinstate "*the*" and strike "*a*"

Page 3, after line 14, insert:

"Sec. 3. Minnesota Statutes 1976, Section 169.91, is amended by adding a subdivision to read:

Subd. 4. [RECIPROCAL AGREEMENTS.] The commissioner of public safety is hereby empowered to enter into and carry out reciprocal agreements with duly authorized representatives of other states, districts, territories and possessions of the United States and provinces of foreign countries having laws or compacts authorizing the release of residents of party jurisdictions upon personal recognizance following arrest for violation of a law or ordinance relating to the operation of a motor vehicle.

(a) When a reciprocal agreement is in effect, a law enforcement officer observing a violation of this chapter or any other traffic regulation by a resident of a party jurisdiction shall issue an appropriate citation and shall not, subject to the provisions of clause (b) of this subdivision, require the nonresident to post bond or collateral to secure appearance for trial but shall accept the nonresident's personal recognizance, except the nonresident has the right upon request to post bond or collateral in a manner provided by law and in that case the provisions of this subdivision do not apply.

(b) A nonresident shall not be entitled to be released on his personal recognizance if immediate appearance before a magistrate is required by subdivision 1 of this section or the offense is:

(1) One which, upon conviction, would result in the revocation of a person's drivers license under the laws of this state; or

(2) A violation of a highway weight limitation; or

(3) A violation of a law governing transportation of hazardous materials; or

(4) Driving a motor vehicle without a valid drivers license."

Pages 3 to 4, strike all of section 3 and insert:

“Sec. 4. Minnesota Statutes 1976, Section 169.92, is amended to read:

169.92 [FAILURE TO APPEAR.] *Subdivision 1.* Any person willfully violating his written promise to appear in court, given as provided in sections 169.90 to 169.95, is guilty of a misdemeanor, provided he is found guilty of the charge upon which he was originally arrested. A written promise to appear in court may be complied with by an appearance by counsel.

Subd. 2. When a nonresident from a party jurisdiction is released upon his written promise to appear and he has not appeared in court or complied with other orders of the court regarding the appearance or proceedings, the court shall notify the commissioner of public safety of the nonappearance upon a form provided by the commissioner.

Subd. 3. Upon receipt of notice from the court that the nonresident did not appear in court following release from custody upon his written promise to appear, the commissioner of public safety shall forward a copy of the report to the driver licensing authority of the state, district, territory, possession or province of residence of the person.

Subd. 4. (a) Upon receiving a report from the driver licensing authority of a state, district, territory or possession of the United States or a province of a foreign country which has an agreement in effect with this state pursuant to section 169.91 that a resident of this state or a person licensed as a driver in this state did not appear in court following written promise to appear in the party jurisdiction, the commissioner of public safety shall notify the driver that his license will be suspended unless the commissioner receives notice within 30 days that the driver has appeared in the appropriate court of the other jurisdiction. If the commissioner does not receive notice of the appearance of the Minnesota resident in the appropriate court within 30 days of the date of the commissioner's notice to the driver, the commissioner may suspend the person's drivers license.

(b) The order of suspension shall indicate the reason for the order and shall notify the person that his license shall remain suspended until he has furnished evidence satisfactory to the commissioner that he has complied with any order entered by the court.

(c) Suspension shall be ordered under this subdivision only when the report from the party jurisdiction clearly identifies the person arrested; describes the violation, specifying the section of the traffic law, ordinance, rule or regulation violated; indicates the location and date of the offense; and describes the vehicle involved and its registration number.

Sec. 5. Minnesota Statutes 1976, Section 171.01, Subdivision 13, is amended to read:

Subd. 13. [CONVICTION.] The term “conviction” means a final conviction either after trial or upon a plea of guilty; also a

forfeiture of cash or collateral deposited to guarantee a defendant's appearance in court, which forfeiture has not been vacated, or a breach of a condition of release without bail, *including violation of a written promise to appear*, is equivalent to a conviction."

Page 5, line 25, strike "3" and insert "169.92, subdivision 4"

Pages 6 and 7, strike sections 5 and 6

Renumber the sections in sequence

Amend the title as follows:

Line 12, strike "and" and insert a comma

Line 12, after "3" insert ", and by adding a subdivision"

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

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

S. F. No. 1968: A bill for an act relating to state lands; authorizing conveyance of a certain parcel of land in Beltrami county.

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

Page 1, line 7, strike "On July 7, 1967 the state of Minnesota granted a"

Page 1, strike lines 8 to 16

Page 1, line 17, strike "portion,"

Page 2, after line 5, insert "The auditor and the treasurer shall deposit \$4,000 of the proceeds from the sale of the above-described land in the forfeited tax sale fund of Beltrami county and deposit the remaining proceeds of the sale in the county's general fund."

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

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

S. F. No. 2015: A bill for an act relating to state parks; authorizing the lease of a portion of Fort Snelling state park; waiving park admission fees and authorizing a liquor license on the leased property.

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

Page 1, line 17, strike "of"

Page 1, line 18, after the period insert "Prior to execution of the lease, the commissioner shall submit the proposed lease to the legislative commission on Minnesota resources for review and comment."

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

Mr. Hughes from the Committee on Education, to which was referred

S. F. No. 1853: A bill for an act relating to education; common school districts; making laws applicable to independent school districts apply to common school districts except in certain circumstances; repealing duplicative material; amending Minnesota Statutes 1976, Sections 123.12, Subdivision 2; 123.21; repealing Minnesota Statutes 1976, Sections 123.12, Subdivisions 3, 4, 5, 6, 7, 8, 10, 11, 12, 13 and 15; 123.13, Subdivisions 1, 3, 4, 5, 6 and 7; 123.14; 123.15, Subdivisions 4, 5, 6, 7, 8, 9 and 10; 123.16; 123.17; 123.18; 123.19; and 123.20.

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

Mr. Hughes from the Committee on Education, to which was re-referred

S. F. No. 1957: A bill for an act relating to county libraries; authorizing increased membership on county library boards; amending Minnesota Statutes 1976, Section 375.33, Subdivision 4.

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

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

S. F. No. 1830: A bill for an act regarding corporations; modifying certain filing fees for domestic corporations; amending Minnesota Statutes 1976, Section 300.49, Subdivision 1.

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

Page 1, line 18, strike "12.50" and insert "\$10"

Page 1, after line 22, insert:

"Sec. 2. Minnesota Statutes 1976, Section 301.071, Subdivision 2, is amended to read:

Subd. 2. In addition to the fees prescribed in subdivision 1, ~~fees a fee of \$10 shall be paid to the secretary of state according to the following schedule, for filing any instrument required to be filed under the provisions of chapter 301. The fee shall be paid at the time the service is performed +.~~

(a) Filing articles of incorporation and issuing a certificate of incorporation, \$12.50;

(b) Filing articles of amendment superseding original articles of incorporation as provided in section 301.37, subdivision 2, \$12.50;

(c) Filing articles of amendment, including the reduction of stated capital pursuant to section 301.39, as provided in section 301.37, subdivision 4, §6.50;

(d) Filing an agreement of consolidation, an agreement of merger, or a certificate of ownership, and issuing a certificate of incorporation or merger as provided in section 301.42 or 301.421, §25;

(e) Filing a certificate of resolution instituting voluntary proceedings for dissolution and appointing a trustee as provided in section 301.47, §4;

(f) Filing a certificate of trustee in voluntary proceedings for dissolution as provided in section 301.56, §4;

(g) Filing an order of dissolution as provided in section 301.56, §6.50;

(h) Filing a certificate of change of registered office as provided in section 301.33, §6.50;

(i) Filing a certificate of resolution fixing equality of shares as provided in section 301.14, §6.50;

(j) Filing a consent to use of name or a notice of intention to procure incorporation as provided in section 301.06, §4;

(k) Filing a certificate of resolution electing to accept or reject the provisions of Laws 1933, Chapter 300 and laws amendatory thereto, §12.50;

(l) Filing any other instrument pursuant to the provisions of this chapter, §6.50."

Page 2, line 1, strike "*This act*" and insert "*Section 1*"

Page 2, line 2, strike "*as to*" and insert "*, and applies to*"

Page 2, line 2, strike "*recorded by*" and insert "*filed with*"

Page 2, line 3, after "*state*" insert "*on or after that date*"

Page 2, line 3, after the period insert "*Section 2 is effective August 1, 1978, and applies to all documents filed with the secretary of state on or after that date.*"

Renumber the sections in sequence

Further, amend the title as follows:

Page 1, line 2, strike "regarding" and insert "relating to"

Page 1, line 3, after the semicolon, insert "providing a uniform fee for filing instruments with the secretary of state;"

Page 1, line 4, strike "Section" and insert "Sections"

Page 1, line 4, after "1" insert "; and 301.071, Subdivision 2"

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

Mr. Hughes from the Committee on Education, to which was referred

S. F. No. 1849: A bill for an act relating to education; adopting the Midwestern Education Compact; implementing the operation of such compact.

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

Page 11, line 2, after "the" insert "midwestern education"

Page 11, line 3, after "III" insert "of the midwestern education compact"

Page 11, line 6, strike "committee" and insert "subcommittee"

Page 11, line 7, after "committees" insert "of the rules and administration committee"

Page 11, line 8, after the comma insert "shall be"

Page 11, line 9, strike ", are appointed"

Page 11, line 21, strike "committee" and insert "subcommittee"

Page 11, line 21, after "committees" insert "of the rules and administration committee"

Page 11, line 24, after "The" insert "midwestern education"

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

Mr. Olson from the Committee on General Legislation and Veterans Affairs, to which was referred

S. F. No. 2047: A bill for an act relating to veterans; commissioner of veterans affairs; providing for appeals from and enforcement of his decisions; amending Minnesota Statutes 1976, Section 197.481, Subdivision 6, and by adding a subdivision.

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

Mr. Olson from the Committee on General Legislation and Veterans Affairs, to which was referred

S. F. No. 2079: A bill for an act relating to veterans; providing for appeals from removals and disciplinary actions; amending Minnesota Statutes 1976, Sections 43.24, Subdivision 1; and 197.481, Subdivision 1.

Reports the same back with the recommendation that the bill do pass. Mr. Chenoweth questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Olson from the Committee on General Legislation and Veterans Affairs, to which was referred

S. F. No. 2150: A bill for an act relating to peace officers; providing for an exemption from certain statutory requirements for prospective peace officers; amending Minnesota Statutes, 1977 Supplement, Section 626.846, by adding a subdivision.

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

Page 1, line 14, after "*during*" insert "*calendar year*"

Page 1, after line 18, insert:

"Sec. 2. This act is effective the day following final enactment and shall apply to any person who enters an authorized training program during calendar year 1978."

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

Mr. Olson from the Committee on General Legislation and Veterans Affairs, to which was referred

S. F. No. 2188: A bill for an act relating to the national guard; providing a bonus for re-enlistment; appropriating money; amending Minnesota Statutes 1976, Section 192.205, Subdivision 1.

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

Page 2, line 3, after the period insert "*The re-enlistment bonus shall be payable at a rate of \$100 on the initial date of re-enlistment and \$100 thereafter on each anniversary date of the re-enlistment provided the person is still a member of the national guard.*"

Page 2, line 8, strike "*April*" and insert "*March*"

Page 2, line 9, after "*re-enlistments*" insert "*and re-enlistment dates*"

Page 2, line 10, strike "*April*" and insert "*March*"

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

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 1970: A bill for an act relating to the city of St. Cloud; authorizing the imposition of a tax on the gross receipts from the furnishing of certain lodging.

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

Mr. Anderson from the Committee on Energy and Housing, to which was referred

S. F. No. 1593: A bill for an act relating to taxation; authoriz-

ing the establishment of individual housing accounts; providing that contributions to an account which are used exclusively in connection with the purchase of a first principal residence are deductible; providing tax penalties; amending Minnesota Statutes 1976, Section 290.09, by adding a subdivision.

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

Page 1, line 24, after "returns" insert "*or filing separately on a combined return*"

Page 2, line 13, strike "*the United States*" and insert "*Minnesota*"

Page 2, line 22, after "*individual*" insert "*, plus any interest paid or accrued,*"

Page 2, line 24, after "*institution*" insert "*, as defined in section 47.015,*"

Page 2, line 25, after "*law*" insert "*whose accounts are insured either by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, the National Credit Union Administration or any agency of this state or any federal agency established for the purpose of insuring accounts in these financial institutions. Such financial institution must actively make residential real estate mortgage loans in Minnesota to be qualified to act as depository, trustee, or custodian of "individual housing accounts"*"

Page 2, line 25, strike "*or another person who*"

Page 2, strike lines 26 through 28

Page 2, line 29, strike "*subdivision*"

Page 3, strike lines 2 through 4 and insert "*(E) The assets of the trust shall be invested only in savings or time deposits in amounts fully insured as prescribed in paragraph (c) (1) (B). Funds held in the trust may be comingled for purposes of investment, but individual records shall be maintained by the trustee for each individual housing account holder which show all transactions in detail.*"

Page 6, line 21, after "*law*" insert a period

Page 6, line 21, strike "*or another person who demonstrates, to the satisfaction*"

Page 6, strike lines 22 through 30

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

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 2037: A bill for an act relating to municipalities;

purpose and name of range association of municipalities and schools; amending Minnesota Statutes 1976, Section 471.58.

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

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "changing the"

Page 1, line 3, before "range" insert "the"

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

Mr. Hughes from the Committee on Education, to which was referred

S. F. No. 1404: A bill for an act relating to education; public libraries; providing grants for certain libraries and setting guidelines for interlibrary cooperation; amending Minnesota Statutes 1976, Sections 121.23 and 121.24; repealing Minnesota Statutes 1976, Sections 121.22 and 134.035.

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

Strike everything after the enacting clause and insert the following:

"Section 1. Minnesota Statutes 1976, Chapter 134, is amended by adding a section to read:

[134.30] [DEFINITIONS.] *Subdivision 1. As used in sections 1 to 6 of this act, the terms defined in this section shall have the meanings ascribed to them.*

Subd. 2. "Public library" means any library that provides free access to all residents of a city or county without discrimination, receives at least half of its financial support from public funds and is organized under the provisions of chapter 134 or section 375.33. It does not include libraries such as law, medical, school and academic libraries organized to serve a special group of persons, or libraries organized as a combination of a public library and another type of library.

Subd. 3. "Public library services" means services provided by or on behalf of a public library and does not include services for elementary schools, secondary schools or post-secondary educational institutions.

Subd. 4. "Regional public library system" means a multicounty public library service agency that provides free access to all residents of the region without discrimination, and is organized under the provisions of sections 134.12, 375.335, 471.59 or chapter 317.

Subd. 5. "Basic system services" means services offered by all regional public library systems either directly or by contract. These services shall include, but are not limited to, communica-

tion among participants, resource sharing, delivery of materials, reciprocal borrowing, and cooperative reference service.

Sec. 2. Minnesota Statutes 1976, Chapter 134, is amended by adding a section to read:

[134.31] [STATE DEPARTMENT OF EDUCATION; LIBRARY RESPONSIBILITIES.] *Subdivision 1. The state shall, as an integral part of its responsibility for public education, support the provision of library service for every citizen and the development of cooperative programs for the sharing of resources and services among all libraries.*

Subd. 2. The department of education shall give advice and instruction to the managers of any public library or to any governing body maintaining a library or empowered to do so by law upon any matter pertaining to the organization, maintenance, or administration of libraries. The department may also give advice and instruction, as requested, to the managers of any library in a post-secondary educational institution. It shall assist, to the extent possible, in the establishment and organization of library service in those areas where adequate services do not exist, and may aid in improving previously established library services.

Subd. 3. The department may provide, for any library in the state, books, journals, audiovisual items, reference services or resource materials it deems appropriate and necessary and shall encourage the sharing of library resources and the development of interlibrary cooperation.

Subd. 4. The department shall collect statistics on the receipts, expenditures, services, and use of the regional public library systems and the public libraries of the state. It shall also collect statistics on all activities undertaken pursuant to sections 2 to 6 of this act. The department shall report its findings to the legislature prior to November 15 of each even numbered year, together with a statement of its expenditures relating to these activities and any other matters as it deems appropriate.

Sec. 3. Minnesota Statutes 1976, Chapter 134, is amended by adding a section to read:

[134.32] [GRANT AUTHORIZATION; TYPES OF GRANTS.] *Subdivision 1. The department shall provide the grants specified in this section from any available state or federal funds.*

Subd. 2. It shall provide establishment grants to regional public library systems which meet the requirements of section 4 of this act, to extend library services to additional counties.

Subd. 3. It shall provide regional library basic system support grants to regional public library systems which meet the requirements of section 5 of this act, to assist those systems in providing basic system services.

Subd. 4. It may provide special project grants to assist innovative and experimental library programs including, but not

limited to, special services for American Indians and the Spanish-speaking, delivery of library materials to homebound persons, other extensions of library services to persons without access to libraries and projects to strengthen and improve library services.

Subd. 5. It may provide grants for interlibrary exchange of books, periodicals, resource material, reference information and the expenses incident to the sharing of library resources and materials.

Subd. 6. It may provide grants for the improvement of library services at welfare and corrections institutions and for library service for the blind and physically handicapped.

Subd. 7. Nothing within the provisions of this section shall be construed to allow state money to be used for the construction of library facilities.

Subd. 8. The state board shall promulgate rules consistent with sections 3 to 6 of this act governing:

(a) applications for these grants;

(b) computation formulas for determining the amounts of establishment grants and regional library basic system support grants; and

(c) eligibility criteria for grants.

Sec. 4. Minnesota Statutes 1976, Chapter 134, is amended by adding a section to read:

[134.33] [ESTABLISHMENT GRANTS.] *Subdivision 1. An establishment grant as described in section 3, subdivision 2, of this act, shall be made to any regional public library system for the first two state fiscal years after a board of county commissioners has contracted to join that system and has agreed that the county will provide at least the levels of support for public library service specified in this section. In the first year of participation, the county shall provide an amount of support at least equivalent to .3 mill times the adjusted assessed valuation of the taxable property of the county as determined by the equalization aid review committee for the second year preceding that calendar year; in the second year of participation, an amount at least equivalent to .45 mill times the adjusted assessed valuation of the taxable property of the county as determined by the equalization aid review committee for the second year preceding that calendar year; and, in the third year of participation and in each year thereafter, an amount at least equivalent to .6 mill times the adjusted assessed valuation of the taxable property of the county as determined by the equalization aid review committee for the second year preceding that calendar year. The minimum level of support shall be certified annually to the county by the department of education. In no event shall the department of education require any county to provide a higher level of support than the level of support specified in this section in order for a system to qualify for an establishment grant. This section shall not be construed to prohibit any county from providing a higher level of support for public libraries than the level of support specified in this section.*

Subd. 2. In order for a regional public library system to qualify for an establishment grant for a county which begins to support participation in regional public library systems in 1977 or 1978, the county shall be required to provide the amount of support specified for the third year of participation from and after January 1, 1980.

Sec. 5. Minnesota Statutes 1976, Chapter 134, is amended by adding a section to read:

[134.34] [REGIONAL LIBRARY BASIC SYSTEM SUPPORT GRANTS; REQUIREMENTS.] *Subdivision 1. A regional library basic system support grant shall be made to any regional public library system where there are at least three participating counties and where each participating city and county, except in the first and second years of participation as provided in section 4 of this act, is providing for public library service support in an amount at least equivalent to .6 mill times the adjusted assessed valuation of the taxable property of that city or county, as determined by the equalization aid review committee for the second year preceding that calendar year. The state department may waive this three participating county requirement for the Western Plains library system until June 30, 1979, if that system meets all other requirements. The minimum level of support shall be certified annually to the participating cities and counties by the department of education. A city which is a part of a regional public library system shall not be required to provide this level of support if the property of that city is already taxable by the county for the support of that regional public library system. In no event shall the department of education require any city or county to provide a higher level of support than the level of support specified in this section in order for a system to qualify for a regional library basic system support grant. This section shall not be construed to prohibit a city or county from providing a higher level of support for public libraries than the level of support specified in this section.*

Subd. 2. Notwithstanding the provisions of section 4 of this act and subdivision 1 of this section, after the third year of participation by a city or county, the dollar amount of the minimum level of support for that city or county shall not be required to increase by more than ten percent over the dollar amount of the minimum level of support required of it in the previous year. If a participating city or county which has been providing for public library service support in an amount at least equivalent to .67 mill times the assessed valuation of the taxable property of that city or county for the year preceding that calendar year would be required to increase the dollar amount of such support by more than ten percent to reach the equivalent of .6 mill times the adjusted assessed valuation of the taxable property of that participating city or county as determined by the equalization aid review committee for the second year preceding that calendar year, it shall only be required to increase the dollar amount of such support by ten percent per year until such time as it reaches an amount at least equivalent to .6 mill times the adjusted assessed valuation of that taxable property as determined by the

equalization aid review committee for the second year preceding that calendar year.

Subd. 3. Regional library basic system support grants shall be made only to those regional public library systems officially designated by the state board of education as the appropriate agency to strengthen, improve and promote public library services in the participating areas. The state board of education shall designate no more than one such regional public library system located entirely within any single development region existing under sections 462.381 to 462.396 or chapter 473.

Sec. 6. Minnesota Statutes 1976, Chapter 134, is amended by adding a section to read:

[134.35] [REGIONAL LIBRARY BASIC SYSTEM SUPPORT GRANTS; DISTRIBUTION FORMULA.] Subdivision 1. *Any regional public library system which qualifies according to the provisions of section 5 of this act may apply for an annual grant for regional library basic system support. The amount of each grant for fiscal year 1979 shall be calculated as provided in this section.*

Subd. 2. Sixty percent of the available grant funds shall be distributed to provide all qualifying systems an equal amount per capita. Each system's allocation pursuant to this subdivision shall be based on the population it serves.

Subd. 3. Fifteen percent of the available grant funds shall be distributed to provide all qualifying systems an equal amount per square mile. Each system's allocation pursuant to this subdivision shall be based on the area it serves.

Subd. 4. The sum of \$35,000 shall be paid to each system as a base grant for basic system services.

Subd. 5. After the allocations made pursuant to subdivisions 2, 3 and 4 of this section, any remaining available grant funds for basic system support shall be distributed to those regional public library systems which contain counties whose adjusted assessed valuations per capita were below the state average adjusted assessed valuation per capita for the second year preceding the fiscal year for which the grant is made. Each system's entitlement shall be calculated as follows:

(a) subtract the adjusted assessed valuation per capita for each eligible county or participating portion of a county from the statewide average adjusted assessed valuation per capita;

(b) multiply the difference obtained in clause (a) for each eligible county or participating portion of a county by the population of that eligible county or participating portion of a county;

(c) for each regional public library system, determine the sum of the results of the computation in clause (b) for all eligible counties or portions thereof in that system;

(d) determine the sum of the result of the computation in

clause (b) for all eligible counties or portions thereof in all regional public library systems in the state;

(e) for each system, divide the result of the computation in clause (c) by the result of the computation in clause (d) to obtain the allocation factor for that system;

(f) multiply the allocation factor for each system as determined in clause (e) times the amount of the remaining grant funds to determine each system's dollar allocation pursuant to this subdivision.

Subd. 6. Notwithstanding the provisions of subdivisions 1 to 5, no regional public library system shall receive an amount as an annual grant for fiscal year 1979 pursuant to this section which is less than the amount which that system received as its annual grant for fiscal year 1978. This subdivision shall expire on July 1, 1979.

Sec. 7. The state board of education shall promulgate rules as necessary for implementation of any provision of this act. Temporary rules may be adopted to implement this act in compliance with the provisions of section 15.0412, subdivision 5, except that these rules may be effective for up to 300 days.

Sec. 8. Minnesota Statutes 1976, Sections 121.22; 121.23; 121.24; and 134.035 are repealed.

Sec. 9. The contingent appropriation provided by Laws 1977, Chapter 449, Section 2, Subdivision 7, Clause (c), is hereby made available for the purposes of this act."

Amend the title as follows:

Page 1, strike lines 2 to 7 and insert:

"relating to education; granting certain powers and duties relating to public libraries to the state board and the state department of education; providing grants for certain library systems; appropriating money; amending Minnesota Statutes 1976, Chapter 134, by adding sections; repealing Minnesota Statutes 1976, Sections 121.22; 121.23; 121.24; and 134.035."

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

Mr. Laufenburger from the Committee on Employment, to which was referred the following appointment as reported in the Journal for February 9, 1978:

WORKER'S COMPENSATION COURT OF APPEALS

Robert McCarthy

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

Mr. Borden moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Coleman from the Committee on Rules and Administration, to which were referred for proper reference under Rule 35:

S. F. Nos. 2104, 2103, 2073, 2072, 2065, 2056, 2176 and 2185 reports the same back with the recommendation that the bills be re-referred as follows:

S. F. Nos. 2103 and 2185 to the Committee on Commerce.

S. F. Nos. 2104 and 2056 to the Committee on Energy and Housing.

S. F. No. 2065 to the Committee on Governmental Operations.

S. F. Nos. 2073, 2072 and 2176 to the Committee on Transportation.

Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred

H. F. No. 1297 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.
1297	1212				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1297 be amended as follows:

Strike all the language after the enacting clause of H. F. No. 1297 and insert the language after the enacting clause of S. F. No. 1212, as amended by the Committee on Agriculture and Natural Resources, adopted by the Senate February 13, 1978; further, strike the title of H. F. No. 1297 and insert the title of S. F. No. 1212, as amended.

And when so amended H. F. No. 1297 will be identical to S. F. No. 1212, and further recommends that H. F. No. 1297 be given its second reading and substituted for S. F. No. 1212, 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. Coleman from the Subcommittee on Bill Scheduling, to which were referred S. F. Nos. 762, 1664, 2077, 1835, 1891, 1766, 1786, 1704, 1495, 1789 and H. F. No. 1191 makes the following report:

That S. F. Nos. 762, 1664, 1835, 1891, 1766, 1786, 1704, 1495, 1789 and H. F. No. 1191 be placed on the General Orders Calendar in the order indicated.

That S. F. No. 2077 be referred to the Committee on Finance.

That there were no other bills before the Subcommittee on which floor action was requested. Report adopted.

SECOND READING OF SENATE BILLS

S. F. Nos. 1750, 1067, 1733, 1949, 1923, 1757, 1808, 1807, 2123, 712, 1915, 1753, 1721, 1824, 1740, 1946, 1581, 1859, 1608, 1624, 1968, 2015, 1853, 1957, 1830, 2047, 2150 and 2037 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. Nos. 1879 and 1297 were read the second time.

H. F. Nos. 267 and 1744 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS

Mr. Laufenburger moved that his name be stricken as chief author, added as co-author and the name of Mr. Stokowski be shown as chief author to S. F. No. 878. The motion prevailed.

Mr. Keefe, S. moved that the name of Mr. Luther be added as co-author to S. F. No. 1006. The motion prevailed.

Mr. Sikorski moved that the name of Mr. Benedict be added as co-author to S. F. No. 1592. The motion prevailed.

Mr. Purfeerst moved that his name be stricken as chief author, added as co-author and Mr. Penny be shown as chief author to S. F. No. 2017. The motion prevailed.

Mr. Olson moved that the name of Mr. Peterson be stricken as co-author to S. F. No. 1720. The motion prevailed.

Mr. Humphrey moved that the names of Messrs. Anderson and Sillers be added as co-authors to S. F. No. 1849. The motion prevailed.

Mr. Tennessen moved that H. F. No. 1520 be withdrawn from the Committee on Commerce and re-referred to the Committee on Rules and Administration for comparison with S. F. No. 1886 now on General Orders. The motion prevailed.

Mr. Nelson moved that the name of Sikorski be added as co-author to S. F. No. 2011. The motion prevailed.

Mr. Nelson moved that the name of Mr. Lessard be added as co-author to S. F. No. 2045. The motion prevailed.

Mr. Kleinbaum moved that his name be stricken as chief author and Mr. Tennessen be added as chief author to S. F. No. 2053. The motion prevailed.

Mr. Willet moved that the name of Mr. Peterson be added as co-author to S. F. No. 2144. The motion prevailed.

Mr. Anderson moved that the name of Mr. Ulland, J. be added as co-author to S. F. No. 2187. The motion prevailed.

Mr. Schaaf moved that the names of Messrs. Stokowski, Sieloff and Peterson be added as co-authors to S. F. No. 171. The motion prevailed.

Mr. Borden moved that S. F. No. 2232 be withdrawn from the Committee on Taxes and Tax Laws and returned to its author. The motion prevailed.

Mr. Dunn moved that the names of Messrs. Purfeerst, Penny, Strand and Nichols be added as co-authors to S. F. No. 2186. The motion prevailed.

Mr. Borden moved that the name of Mr. Milton be stricken as chief author and Mrs. Knaak be added as chief author to S. F. No. 1218. The motion prevailed.

Mr. Laufenburger moved that the names of Messrs. Peterson, Frederick, Purfeerst and Schmitz be added as co-authors to S. F. No. 2205. The motion prevailed.

Mr. Borden, for the Committee on Rules and Administration, moved to amend Senate Resolution No. 23, a Senate resolution relating to expenses of Senate interns, shown in the Journal for Tuesday, January 17, 1978, as follows:

At the end of the first paragraph after "session" and before the period, insert "and for the two weeks prior to the start of the session"

The question was taken on the adoption of the motion.

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

Those who voted in the affirmative were:

Anderson	Engler	Knutson	Peterson	Stokowski
Ashbach	Frederick	Laufenburger	Pillsbury	Strand
Bang	Gearty	Lessard	Purfeerst	Stumpf
Benedict	Gunderson	Lewis	Renneke	Tennessee
Bernhagen	Jensen	Luther	Schmitz	Ulland, J.
Borden	Johnson	Menning	Schrom	Vega
Brataas	Keefe, J.	Merriam	Setzepfandt	Wegener
Chenoweth	Keefe, S.	Nelson	Sieloff	Willet
Chmielewski	Kirchner	Nichols	Sikorski	
Davies	Kleinbaum	Olhoft	Solon	
Dieterich	Knaak	Penny	Spear	
Dunn	Knoll	Perpich	Staples	

The motion prevailed. So the resolution was amended.

Mr. Coleman, for the Committee on Rules and Administration, offered the following resolution:

BE IT RESOLVED, by the Senate, that the following named persons be and are hereby appointed to the positions hereinafter stated and at the salaries heretofore fixed.

Eileen Harrison substituted for Patricia Hamilton in the Stenographer I classification, effective February 20, 1978

Rev. Curtis A. Herron, Chaplain, effective February 20, 1978

Mr. Borden, for Mr. Coleman, moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

Remaining on the Order of Business of Motions and Resolutions, Mr. Borden moved to take up the Order of Business of Third Reading of Senate Bills. The motion prevailed.

THIRD READING OF SENATE BILLS

S. F. No. 438: A bill for an act relating to bank charters; classifying data contained in financial statements of applicants; requiring payment of certain costs; requiring approval of managing officers; regulating issuance and expiration of certificates of authorization and charters; amending Minnesota Statutes 1976, Sections 45.04; and 45.07.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Engler	Knoll	Penny	Sillers
Ashbach	Frederick	Knutson	Perpich	Solon
Bang	Gearty	Laufenburger	Peterson	Spear
Benedict	Gunderson	Lessard	Pillsbury	Staples
Bernhagen	Hughes	Lewis	Purfeerst	Strand
Borden	Jensen	Luther	Renneke	Stumpf
Brataas	Johnson	Menning	Schaaf	Tennessee
Chenoweth	Keefe, J.	Merriam	Schmitz	Ueland, A.
Chmielewski	Keefe, S.	Nelson	Schrom	Ulland, J.
Davies	Kirchner	Nichols	Setzepfandt	Vega
Dieterich	Kleinbaum	Olhoff	Sieloff	Wegener
Dunn	Knaak	Olson	Sikorski	Willet

So the bill passed and its title was agreed to.

S. F. No. 1765: A bill for an act relating to the organization of state government; restructuring the Gillette hospital board; providing that employee and procurement laws are more consistent with laws applying to other agencies; requiring an annual report; amending Minnesota Statutes 1976, Section 250.05, Subdivisions 1, 3 and 5; Minnesota Statutes, 1977 Supplement, Section 250.05, Subdivision 2.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Chenoweth	Frederick	Keefe, J.	Knutson
Bang	Chmielewski	Gearty	Keefe, S.	Laufenburger
Benedict	Davies	Gunderson	Kirchner	Lessard
Bernhagen	Dieterich	Hughes	Kleinbaum	Lewis
Borden	Dunn	Jensen	Knaak	Luther
Brataas	Engler	Johnson	Knoll	Menning

Merriam	Perpich	Schmitz	Solon	Ueland, A.
Nelson	Peterson	Schrom	Spear	Ulland, J.
Nichols	Pillsbury	Setzepfandt	Staples	Vega
Olhoft	Purfeerst	Sieloff	Strand	Wegener
Olson	Renneke	Sikorski	Stumpf	Willet
Penny	Schaaf	Sillers	Tennessee	

So the bill passed and its title was agreed to.

S. F. No. 1073: A bill for an act relating to corrections; establishing a facility for the care and treatment of inmates of correctional institutions who become mentally ill; providing for their commitment and detention for treatment; appropriating money.

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:

Anderson	Frederick	Laufenburger	Pillsbury	Stokowski
Ashbach	Gearty	Lessard	Purfeerst	Strand
Bang	Gunderson	Lewis	Renneke	Stumpf
Benedict	Hughes	Luther	Schaaf	Tennessee
Bernhagen	Jensen	Menning	Schmitz	Ueland, A.
Borden	Johnson	Merriam	Schrom	Ulland, J.
Brataas	Keefe, J.	Nelson	Setzepfandt	Vega
Chenoweth	Keefe, S.	Nichols	Sieloff	Wegener
Chmielewski	Kirchner	Olhoft	Sikorski	Willet
Davies	Kleinbaum	Olson	Sillers	
Dieterich	Knaak	Penny	Solon	
Dunn	Knoll	Perpich	Spear	
Engler	Knutson	Peterson	Staples	

So the bill passed and its title was agreed to.

S. F. No. 1685: A bill for an act relating to health; providing for review of certain health care planning; requiring certificates of need for construction or modifications of certain health care facilities and services; amending Minnesota Statutes 1976, Sections 145.71, Subdivision 1; 145.72; 145.73; 145.74; 145.75; 145.751; 145.76, Subdivisions 1 and 2; 145.761; 145.77; 145.78; 145.79; 145.80; 145.83; and Chapter 145, by adding sections.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 41 and nays 15, as follows:

Those who voted in the affirmative were:

Bang	Frederick	Knoll	Schaaf	Strand
Benedict	Gearty	Knutson	Schmitz	Stumpf
Borden	Gunderson	Luther	Setzepfandt	Tennessee
Brataas	Hughes	Nelson	Sikorski	Ulland, J.
Chenoweth	Johnson	Nichols	Sillers	Vega
Chmielewski	Keefe, J.	Olhoft	Solon	
Davies	Keefe, S.	Olson	Spear	
Dieterich	Kirchner	Perpich	Stanles	
Dunn	Kleinbaum	Pillsbury	Stokowski	

Those who voted in the negative were:

Ashbach	Jensen	Lessard	Peterson	Schrom
Bernhagen	Knaak	Menning	Purfeerst	Wegener
Engler	Laufenburger	Penny	Renneke	Willet

So the bill passed and its title was agreed to.

Remaining on the Order of Business of Motions and Resolutions, Mr. Borden moved to take up the General Orders Calendar. The motion prevailed.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Gearty in the chair.

After some time spent therein, the committee arose, and Mr. Gearty reported that the committee had considered the following:

S. F. Nos. 1743, 1655, 1616, 1635, 1662, 1606, 1276, 1206, 1647, 1229, 1431 and H. F. No. 356 which the committee recommends to pass.

S. F. No. 1637, which the committee recommends to pass with the following amendment offered by Mr. Johnson:

Page 2, after line 11, insert:

"Sec. 2. [CITY OF TOWER; FIRE AND COMMUNITY HALL.] The city of Tower is authorized to issue and sell its general obligation bonds in the principal amount of \$150,000 for the purpose of financing the construction of a fire and community hall in the city, which bonds have heretofore been authorized to be issued by the electors of the city and shall not be included in the net debt of the city, notwithstanding any provision of law limiting the bonded debt of said city; and the city is authorized to levy taxes upon all taxable property in the city without limitation as to rate or amount to pay such bonds, notwithstanding any provision of law limiting such levies."

Page 2, line 12, before "This" insert "Section 1 of"

Page 2, line 13, after the period, insert "Section 2 is effective after its approval by a majority of the governing body of the city of Tower, and upon compliance with the provisions of Minnesota Statutes, Section 645.021."

Renumber the sections in sequence

Amend the title as follows:

Line 3, after the semicolon, insert "authorizing issuance of general obligation bonds for a fire and community hall in the city of Tower;"

S. F. No. 1548, which the committee recommends to pass with the following amendments offered by Messrs. Sieloff and Setzepfandt:

Mr. Sieloff moved to amend S. F. No. 1548 as follows:

Page 4, line 9, strike "524.3-301," and strike the final comma

Page 4, line 10, before "524.3-502" insert "or"

Page 4, line 10, strike "or 525.541"

Page 4, line 10, after "fee" insert "in such proceedings"

Mr. Setzepfandt moved to amend S. F. No. 1548 as follows:

Page 1, line 17, strike the new language and reinstate the old language

Page 4, line 8, strike "\$25" and insert "\$15"

S. F. No. 1398 which the committee reports progress, subject to the following motion:

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

Page 1, after line 21, insert:

"Sec. 2. [EFFECTIVE DATE.] *This act is effective the day following final enactment.*"

The motion prevailed. So the amendment was adopted.

S. F. No. 1398 was then progressed.

On motion of Mr. Borden, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

RECESS

Mr. Borden moved that the Senate do now recess until 7:30 o'clock p.m. The motion prevailed.

The hour of 7:30 o'clock p.m. having arrived, the President called the Senate to order.

Without objection, the Senate reverted to the Order of Business of Introduction and First Reading of Senate Bills.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Tennessen introduced—

S. F. No. 2301: A bill for an act relating to collection and dissemination of data; classifying data; extending the period of time during which emergency classifications of data may be made; clarifying the duties of the responsible authority; amending Minnesota Statutes 1976, Sections 15.162, by adding a subdivision; 15.163; and Chapter 15, by adding sections; and Minnesota Statutes, 1977 Supplement, Sections 15.162, Subdivision 2a; and 15.1642, Subdivisions 3 and 5; repealing Minnesota Statutes 1976, Sections 15.1641; 15.169; and Minnesota Statutes, 1977 Supplement, Section 15.1642, Subdivision 4.

Referred to the Committee on Judiciary.

Mr. Vega introduced—

S. F. No. 2302: A bill for an act relating to state lands; directing the conveyance of Hastings state hospital surplus lands.

Referred to the Committee on Agriculture and Natural Resources.

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

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 1726, 1857, 1882, 2190 and 1822.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted February 23, 1978

FIRST READING OF HOUSE BILLS

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

H. F. No. 1726: A bill for an act relating to special assessments; clarifying availability of certain appeal procedures; eliminating use of alternative procedures; increasing the time for appealing certain special assessments; amending Minnesota Statutes 1976, Section 429.081; and Minnesota Statutes, 1977 Supplement, Section 278.01.

Referred to the Committee on Taxes and Tax Laws.

H. F. No. 1857: A bill for an act relating to veterans; requiring counties to appoint a veterans service officer; amending Minnesota Statutes 1976, Section 197.60, Subdivision 1.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1786.

H. F. No. 1882: A bill for an act relating to commerce; repealing the fair trade laws; repealing Minnesota Statutes 1976, Sections 325.08 to 325.14.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1647.

H. F. No. 2190: A bill for an act relating to aeronautics; setting forth the registration procedure for pioneer aircraft; amending Minnesota Statutes 1976, Section 360.55 by adding a subdivision.

Referred to the Committee on Transportation.

H. F. No. 1822: A bill for an act relating to eminent domain; requiring that prepayment penalties be treated as a separate item of damages; amending Minnesota Statutes 1976, Chapter 117, by adding a section.

Referred to the Committee on Judiciary.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Laufenburger moved that S. F. No. 1960 be withdrawn from

the Committee on Employment and re-referred to the Committee on Governmental Operations. The motion prevailed.

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

MESSAGES FROM THE HOUSE

Mr. President:

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

House Concurrent Resolution No. 9: A house concurrent resolution relating to adjournment.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 23, 1978

House Concurrent Resolution No. 9: A house concurrent resolution relating to adjournment.

BE IT RESOLVED, by the House of Representatives, the Senate concurring, that when either the House of Representatives or the Senate adjourns on February 24, 1978, it may adjourn to any date not later than March 1, 1978.

Mr. Coleman moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the report from the Committee on Education, reported February 2, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Hughes moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Hughes moved that in accordance with the report from the Committee on Education, reported February 2, 1978, the Senate, having given its advice, do now consent to and confirm the appointment of:

DEPARTMENT OF EDUCATION COMMISSIONER

Howard B. Casmey, 7519 Harold Avenue, Minneapolis, Hennepin County, effective August 1, 1977, for a term expiring the first Monday in January, 1979.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 43 and nays 8, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Lessard	Perpich	Strand
Bang	Gunderson	Luther	Peterson	Stumpf
Benedict	Hughes	Menning	Schmitz	Ueland, A.
Borden	Johnson	Moe	Schrom	Ulland, J.
Chenoweth	Kirchner	Nelson	Setzepfandt	Vega
Chmielewski	Kleinbaum	Nichols	Sieloff	Wegener
Coleman	Knaak	Ogdahl	Sillers	Willet
Dunn	Knoll	Olson	Spear	
Engler	Knutson	Penny	Stokowski	

Those who voted in the negative were:

Davies	Keefe, J.	Purfeerst	Sikorski	Tennessee
Dieterich	Merriam	Schaaf		

The motion prevailed. So the appointment was confirmed.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Gearty in the chair.

After some time spent therein, the committee arose, and Mr. Gearty reported that the committee had considered the following:

S. F. Nos. 838, 1603, 1698, 1684, 1779, 1955, 1693, 1787, 1842 and H. F. Nos. 1095, 1930, 85 which the committee recommends to pass.

S. F. No. 1021, which the committee recommends to pass with the following amendment offered by Mr. Moe:

Page 4, line 31, after "Subd. 4." insert "*The legislature intends that an amount equal to one-half of the income received from conservation areas will be appropriated as aid to counties with conservation areas.*"

Pages 6 and 7, delete all of section 7

Page 16, line 22, after "3;" insert "84A.53;"

Renumber the sections in sequence

Amend the title as follows:

Line 8, delete "84A.53;"

Line 16, after "3;" insert "84A.53;"

S. F. No. 837, which the committee recommends to pass with the following amendment offered by Mr. Moe:

Page 10, strike lines 30 to 32

Page 11, strike lines 1 to 6

Page 11, line 7, before "Money" insert "*The legislature intends that an amount equal to one-half of the income received from state forests will be appropriated as aid to counties with state forests.*"

Page 31, line 26, after "year" insert "ending"

S. F. No. 839, which the committee recommends to pass with the following amendment offered by Mr. Moe:

Page 17, line 18, delete "62,587,588" and insert "63,872,613"

S. F. No. 1446, which the committee recommends to pass with the following amendments offered by Mr. Knoll:

Mr. Knoll moved to amend S. F. No. 1446 as follows:

Page 1, strike lines 18 to 27 and insert:

"Section 1. Minnesota Statutes 1976, Section 16.863, is amended to read:

16.863 [APPEALS.] Any person aggrieved by the final decision of any municipality as to the application of the code, *including any rules promulgated pursuant to sections 471.465 to 471.469*, may, within 30 days of said decision, appeal to the commissioner. Appellant shall submit a fee of \$20, payable to the commissioner, with his request for appeal. The final decision of the involved municipality shall be subject to review de novo by the commissioner or his designee, and the commissioner shall submit his written findings to the involved parties. Any person aggrieved by any ruling of the commissioner may appeal to the district court in the county in which the dispute arose. *For the purpose of this section "any person aggrieved" shall include the state council for the handicapped. No fee shall be required when the council for the handicapped is the appellant.*"

Page 2, strike lines 1 to 10

Page 4, line 30, strike "(7)" and insert "(8)"

Page 4, line 31, strike "(8)" and insert "(9)"

Page 5, line 1, before the period insert "; *provided that the council may delegate to an executive committee the authority to commence proceedings pursuant to section 16.863*"

Page 5, line 1, strike "15" and insert "7"

Page 5, line 5, after the period, insert "*In the case of a proceeding under subdivision 5, clause (8), at least 7 days notice shall be given to the building owner or building permit applicant.*"

Page 5, after line 19, insert a new section to read:

"Sec. 6. *This act is effective on the day following final enactment.*"

Amend the title as follows:

Page 1, line 10, strike "Section" and insert "Sections 16.863; and"

Page 1, line 13, strike "sections" and insert "a section"

Mr. Knoll then moved to amend S. F. No. 1446 as follows:

Page 5, line 5, after the period, insert "*It is the intent of this subdivision to provide all categories of handicapped persons with the opportunity to inform the council of any potential adverse effects of any action being considered by the council.*"

S. F. No. 1754, which the committee recommends to pass with the following amendment offered by Mr. Purfeerst:

Page 7, line 10, before the period, insert "*except a flag or reflector is not required to be displayed at the ten foot distance*"

Page 7, lines 30 to 31, strike the underlined language

S. F. No. 1611, which the committee recommends to pass with the following amendments offered by Mr. Davies:

Mr. Davies moved to amend S. F. No. 1611 as follows:

Page 1, line 24, strike "*shall*" and insert "*need*"

Mr. Davies then moved to amend S. F. No. 1611 as follows:

Page 3, strike section 2

Renumber the sections in sequence

Amend the title as follows:

Line 7, strike "*permitting*"

Strike lines 8 and 9

Line 10, strike "*their names;*"

Line 12, strike "*;* and" and insert a period

Strike line 13

S. F. No. 1622, which the committee recommends to pass with the following amendment offered by Mr. Peterson:

Page 1, after line 9, insert:

"Section 1. Minnesota Statutes, 1977 Supplement, Section 97.432, is amended to read:

97.432 [AMENDMENT TO LEECH LAKE SETTLEMENT AGREEMENT.] The commissioner may enter into an agreement with the reservation business committee of the Leech Lake Indian Reservation to amend the settlement agreement adopted in section 97.431 by providing that in lieu of collecting any additional fee fees in connection with the state waterfowl stamp for the privilege of hunting waterfowl on the Leech Lake Indian Reservation and in connection with the state trout fishing stamp for the privilege of fishing trout on the Leech Lake Indian Reservation five percent of the proceeds from the sale of said the waterfowl stamp and one-half of one percent of the proceeds from the sale of the trout fishing stamp shall be credited to the Leech Lake Band special license account established by section 97.431 and shall be remitted to the Leech Lake reservation business committee in the manner and subject to the terms and conditions provided in section 97.431."

Page 2, line 25, after the period, insert "*The legislature intends that all of the proceeds from the sale of trout fishing stamps shall be appropriated to the commissioner from the game and fish fund for acquisition of access to trout streams and improvement of designated "trout waters."*"

Renumber the sections in sequence

Amend the title as follows:

Line 6, after "*Sections*" insert "*97.432;*"

Mr. Ulland, J. moved to amend S. F. No. 1622 as follows:

Page 2, line 21, strike "\$5" and insert "\$3"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 19 and nays 30, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Knaak	Penny	Solon
Brataas	Johnson	Knutson	Pillsbury	Ueland, A.
Chenoweth	Keefe, J.	Lessard	Sieloff	Ulland, J.
Chmielewski	Kirchner	Menning	Sillers	

Those who voted in the negative were:

Benedict	Hanson	Luther	Perpich	Spear
Borden	Hughes	Merriam	Peterson	Stumpf
Coleman	Kleinbaum	Moe	Purfeerst	Tennessen
Davies	Knoll	Nelson	Schaaf	Vega
Gearty	Laufenburger	Nichols	Schmitz	Wegener
Gunderson	Lewis	Olson	Setzepfandt	Willet

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

The question was taken on the recommendation to pass S. F. No. 1622, as amended.

The roll was called, and there were yeas 30 and nays 20, as follows:

Those who voted in the affirmative were:

Benedict	Gunderson	Luther	Peterson	Sieloff
Borden	Hanson	Merriam	Pillsbury	Spear
Chenoweth	Hughes	Nelson	Purfeerst	Stumpf
Coleman	Kirchner	Nichols	Schaaf	Tennessen
Davies	Knoll	Olson	Schmitz	Vega
Gearty	Laufenburger	Perpich	Setzepfandt	Willet

Those who voted in the negative were:

Ashbach	Johnson	Knutson	Moe	Solon
Bang	Keefe, J.	Lessard	Penny	Ueland, A.
Brataas	Kleinbaum	Lewis	Schrom	Ulland, J.
Dieterich	Knaak	Menning	Sillers	Wegener

The motion prevailed. So S. F. No. 1622 was recommended to pass, as amended.

S. F. No. 1137 which the committee reports progress, after the following motion:

Mr. Lewis moved to amend S. F. No. 1137 as follows:

Page 1, line 11, after "*chiropractic*" insert "*; veterinary or dental*"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 12 and nays 33, as follows:

Those who voted in the affirmative were:

Ashbach	Knaak	Penny	Schmitz	Ueland, A.
Brataas	Lewis	Perpich	Setzepfandt	Ulland, J.
Keefe, J.	Menning			

Those who voted in the negative were:

Bang	Gearty	Laufenburger	Pillsbury	Staples
Benedict	Gunderson	Lessard	Purfeerst	Stumpf
Borden	Johnson	Luther	Schaaf	Vega
Chenoweth	Kirchner	Merriam	Schrom	Wegener
Chmielewski	Kleinbaum	Moe	Sieloff	Willet
Coleman	Knoll	Nelson	Sillers	
Dieterich	Knutson	Olson	Spear	

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

S. F. No. 1137 was then progressed.

S. F. No. 1888, which the committee recommends to pass with the following amendment offered by Mr. Davies:

Page 1, line 22, after "*except*" insert "*to make expenditures*"

Page 1, line 24, after the comma insert "*to pay*"

Page 2, line 2, strike "*the*" and insert "*to*" and strike "*of those*"

Page 2, line 3, strike "*which*" and insert "*whom*" and before "*expenses*" insert "*to pay*"

S. F. No. 1643, which the committee recommends to pass with the following amendment offered by Mr. Sikorski:

Page 1, lines 20 and 21, strike "*supplied the transportation required by this section*" and insert "*returned the individual to the location at which he was picked up*"

On motion of Mr. Coleman, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

MEMBERS EXCUSED

Messrs. Anderson and Humphrey were excused from this evening's Session.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 10:00 o'clock a.m., Monday, February 27, 1978. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SEVENTY-EIGHTH DAY

St. Paul, Minnesota, Friday, February 24, 1978

The House of Representatives met on Friday, February 24, 1978, which was the Seventy-Eighth Legislative Day of the Seventieth Session of the Minnesota State Legislature. The Senate did not meet on this date.

SEVENTY-NINTH DAY

St. Paul, Minnesota, Monday, February 27, 1978

The Senate met at 10:00 o'clock a.m. and was called to order by the President.

CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate. The following Senators answered to their names:

Anderson	Dunn	Kleinbaum	Penny	Stumpf
Ashbach	Engler	Knaak	Pillsbury	Ueland, A.
Bang	Gearty	Luther	Purfeerst	Ulland, J.
Benedict	Hughes	Moe	Schmitz	Wegener
Borden	Humphrey	Nelson	Sillers	Willet
Brataas	Johnson	Ogdahl	Spear	
Chenoweth	Keefe, S.	Olhoft	Staples	
Coleman	Kirchner	Olson	Stokowski	

The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. James Bjorge.

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

Anderson	Engler	Knaak	Penny	Staples
Ashbach	Frederick	Knoll	Peterson	Stokowski
Bang	Gearty	Knutson	Pillsbury	Strand
Benedict	Gunderson	Laufenburger	Purfeerst	Stumpf
Bernhagen	Hanson	Lessard	Schaaf	Tennessee
Borden	Hughes	Luther	Schmitz	Ueland, A.
Brataas	Humphrey	Merriam	Schrom	Ulland, J.
Chenoweth	Jensen	Moe	Setzepfandt	Vega
Chmielewski	Johnson	Nelson	Sieloff	Wegener
Coleman	Keefe, J.	Nichols	Sikorski	Willet
Davies	Keefe, S.	Ogdahl	Sillers	
Dieterich	Kirchner	Olhoft	Solon	
Dunn	Kleinbaum	Olson	Spear	

The President declared a quorum present.

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

MEMBERS EXCUSED

Messrs. Lewis, Menning, Perpich and Renneke were excused from the Session of today.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

February 23, 1978

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

I have the honor to inform you that I have received, approved, signed, and deposited in the Office of the Secretary of State, S. F. No. 417 and S. F. No. 975.

Sincerely,
Rudy Perpich, Governor

February 23, 1978

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1978 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S. F. No.	H. F. No.	Session Laws Chapter No.	Date Approved 1978	Date Filed 1978
	1792	458	February 23	February 23
	1761	459	February 23	February 23
	145	460	February 23	February 23
417		461	February 23	February 23
975		462	February 23	February 23

Sincerely,

Joan Anderson Growe
Secretary of State

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Benedict introduced—

S. F. No. 2303: A bill for an act relating to public welfare; licensed residential treatment facilities for adult mentally ill persons; requiring the commissioner of public welfare to establish rate setting and reimbursement procedures; creating an advisory council.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Ashbach, Willet, Johnson, Benedict and Lessard introduced—

S. F. No. 2304: A bill for an act relating to aeronautics; setting forth the registration procedure for pioneer aircraft; amending Minnesota Statutes 1976, Section 360.55 by adding a subdivision.

Referred to the Committee on Transportation.

Messrs. Menning, Strand, Kirchner and Gunderson introduced—

S. F. No. 2305: A bill for an act relating to retirement; reduction in teacher's annuities for early retirement; amending Minnesota Statutes 1976, Section 354.44, Subdivision 6.

Referred to the Committee on Governmental Operations.

Messrs. Stokowski, Coleman, Stumpf and Hughes introduced—

S. F. No. 2306: A bill for an act relating to retirement; St. Paul teachers retirement fund association; post retirement adjustments for certain retirees and benefit recipients; retirement annuity computation for certain coordinated members; recomputation of disability benefits.

Referred to the Committee on Governmental Operations.

Mr. Wegener introduced—

S. F. No. 2307: A bill for an act relating to agriculture; dairy promotion; changing representation on the council; establishing maximum fees; eliminating block voting by cooperative associations of producers; requiring annual reporting to producers; amending Minnesota Statutes 1976, Section 32B.04, Subdivisions 1, 4, and 5.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Borden and Keefe, S. introduced—

S. F. No. 2308: A bill for an act relating to elections; providing that public facilities be available for precinct caucuses; fixing the charge for their use; amending Minnesota Statutes 1976, Section 202A.15, by adding a subdivision.

Referred to the Committee on Elections.

Mrs. Brataas, Messrs. Frederick and Laufenburger introduced—

S. F. No. 2309: A bill for an act relating to dairy products; delaying imposition of certain restrictions on dairy products packaging; requiring a study of the environmental and economic consequences of packaging restrictions; amending Minnesota Statutes,

1977 Supplement, Section 116F.22, Subdivision 1; repealing Laws 1977, Chapter 455, Section 96.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Strand, Olhoft, Penny, Luther and Willet introduced—

S. F. No. 2310: A bill for an act relating to eminent domain proceedings and the acquisition of property for public purposes; establishing a commission to study and report on eminent domain laws in the state of Minnesota; appropriating money.

Referred to the Committee on Judiciary.

Mr. Sikorski introduced—

S. F. No. 2311: A bill for an act relating to Washington county; providing for the appointment and compensation of probation officers and supporting staff.

Referred to the Committee on Local Government.

Mr. Olhoft introduced—

S. F. No. 2312: A bill for an act relating to Independent School District No. 206 (Alexandria); permitting the school district to transfer funds for the purpose of a vocational-technical building addition.

Referred to the Committee on Education.

Mr. Schaaf introduced—

S. F. No. 2313: A bill for an act relating to elections; providing for the filing of certain nominating petitions; amending Minnesota Statutes 1976, Section 202A.65, Subdivision 3.

Referred to the Committee on Elections.

Mrs. Knaak introduced—

S. F. No. 2314: A bill for an act relating to the town of White Bear; permitting the town of White Bear to exercise all the powers of a city conferred by Minnesota Statutes, Chapter 444.

Referred to the Committee on Local Government.

Mr. Solon introduced—

S. F. No. 2315: A bill for an act relating to financial institutions; providing for reimbursement to third party record keepers of costs incurred by complying with subpoenas; amending Minnesota Statutes 1976, Chapter 47, by adding a section.

Referred to the Committee on Commerce.

Messrs. Setzepfandt, Vega, Nelson, Wegener and Frederick introduced—

S. F. No. 2316: A bill for an act relating to public employees; political subdivisions; prohibiting denial or abridgement of the right to engage in political activities, except under certain circumstances.

Referred to the Committee on Governmental Operations.

Mr. Chmielewski introduced—

S. F. No. 2317: A bill for an act relating to motor vehicles; permitting half year registration for certain motor vehicles owned by senior or disabled citizens; amending Minnesota Statutes 1976, Chapter 168, by adding a section.

Referred to the Committee on General Legislation and Veterans Affairs.

Mr. Chmielewski introduced—

S. F. No. 2318: A bill for an act relating to highways; prohibiting white center line markings on highways, streets and roads; providing for uniform center line markings and markings prohibiting passing; amending Minnesota Statutes 1976, Chapter 169, by adding a section.

Referred to the Committee on Transportation.

Mr. Chmielewski introduced—

S. F. No. 2319: A bill for an act relating to transportation; permitting the vacating of town roads in certain situations; amending Minnesota Statutes 1976, Section 160.09, Subdivision 3.

Referred to the Committee on Transportation.

Mr. Chmielewski introduced—

S. F. No. 2320: A bill for an act relating to taxation; exempting residential utilities and heating products from the sales and use tax; amending Minnesota Statutes 1976, Section 297A.25, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Benedict introduced—

S. F. No. 2321: A bill for an act relating to nursing homes; adding a member to the advisory council; amending Minnesota Statutes 1976, Section 144A.17.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Stokowski introduced—

S. F. No. 2322: A bill for an act relating to Hennepin county; authorizing the county board to self-insure against claims of liability.

Referred to the Committee on Commerce.

Mr. Purfeerst introduced—

S. F. No. 2323: A bill for an act relating to the county of LeSueur; allowing the LeSueur county court to appoint a judicial officer.

Referred to the Committee on Judiciary.

Mr. Sillers introduced—

S. F. No. 2324: A bill for an act relating to taxation; property tax; excluding improvements in existing buildings or structures from valuation by assessors; amending Minnesota Statutes 1976, Section 273.11, Subdivision 1 and by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Keefe, S.; Knoll; Olhoff; Borden and Sikorski introduced—

S. F. No. 2325: A bill for an act relating to public welfare; providing for assistance to adoptive parents; appropriating money; amending Minnesota Statutes 1976, Section 393.07, Subdivision 1a.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Nichols introduced—

S. F. No. 2326: A bill for an act relating to retirement; calculation of allowance of certain legislators; amending Minnesota Statutes, 1977 Supplement, Section 3A.02, Subdivision 1.

Referred to the Committee on Governmental Operations.

Messrs. Chenoweth, Perpich, Solon and Knutson introduced—

S. F. No. 2327: A bill for an act relating to public welfare; permitting execution on welfare checks for judgment debts for rent; amending Minnesota Statutes 1976, Section 550.37, Subdivision 14.

Referred to the Committee on Judiciary.

Messrs. Bang, Kirchner, Chmielewski, Frederick and Schrom introduced—

S. F. No. 2328: A bill for an act relating to public finance; changing procedures for audits by certain agencies; revising duties

of the state auditor; providing for audits by public accountants; changing requirements for a petition to audit; modifying authority of certain governing bodies to incur liabilities; amending Minnesota Statutes 1976, Sections 6.47; 6.48; 6.49; 6.54; 6.55; 6.58; 6.64; 40.06, Subdivision 4; 40.07, by adding a subdivision; 111.37; 112.73; 163.09, Subdivision 1; 366.01, by adding a subdivision; 367.36, Subdivision 1; 376.32; 412.222; 412.281; 412.591, Subdivision 2; 424.26; 458.58; 462.373, by adding a subdivision; 462.393; 462.396, Subdivision 4; 462.451, Subdivision 1; 472.15; 473.08, Subdivision 4; 473.413, Subdivision 11; 473.543, Subdivision 5; 473.606, Subdivision 3; 473.704, Subdivision 11; and Chapters 453, by adding a section; and 458, by adding a section; repealing Minnesota Statutes 1976, Sections 6.50; 6.51; 368.02; 368.03; 368.04; 368.05; 368.06; 368.09; 368.10; 368.11; and 412.891; Laws 1929, Chapter 208; Laws 1933, Chapter 211; Laws 1937, Chapter 356, as amended; Laws 1943, Chapter 526, as amended.

Referred to the Committee on Governmental Operations.

Mr. Frederick introduced—

S. F. No. 2329: A bill for an act relating to highways; allowing private landowners to install drainage tiles in highway right-of-way; amending Minnesota Statutes 1976, Section 160.20, by adding a subdivision.

Referred to the Committee on Transportation.

Mr. Purfeerst introduced—

S. F. No. 2330: A bill for an act relating to intoxicating liquor; limitations on license ownership; amending Minnesota Statutes 1976, Section 340.13, Subdivision 3.

Referred to the Committee on Commerce.

Messrs. Dunn, Anderson, Laufenburger and Renneke introduced—

S. F. No. 2331: A bill for an act relating to siting or construction of large electric power generating plants; prohibiting siting and construction of plants with generating capacity over 1,000 megawatts; amending Minnesota Statutes 1976, Section 116H.13, Subdivision 2.

Referred to the Committee on Energy and Housing.

Mr. Chmielewski introduced—

S. F. No. 2332: A bill for an act relating to game and fish; authorizing elderly, blind or disabled to hunt or fish without licenses;

amending Minnesota Statutes 1976, Section 98.47, Subdivision 1; repealing Minnesota Statutes 1976, Section 98.47, Subdivision 8.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Chmielewski introduced—

S. F. No. 2333: A bill for an act relating to trade regulation; prohibiting false price posting of motor fuel; amending Minnesota Statutes 1976, Section 325.77, Subdivision 4.

Referred to the Committee on Commerce.

Messrs. Sikorski, Vega and Engler introduced—

S. F. No. 2334: A bill for an act relating to the Minnesota-Wisconsin boundary area commission; providing that the terms of commissioners shall be staggered; amending Minnesota Statutes 1976, Section 1.33.

Referred to the Committee on Governmental Operations.

Messrs. Schaaf and Stokowski introduced—

S. F. No. 2335: A bill for an act relating to military affairs; prohibiting certain activities by the department of military affairs in Anoka county.

Referred to the Committee on General Legislation and Veterans Affairs.

Messrs. Schaaf and Stokowski introduced—

S. F. No. 2336: A bill for an act relating to the establishment of local airport zoning authorities; amending Minnesota Statutes 1976, Section 360.063, by adding a subdivision.

Referred to the Committee on Transportation.

Mr. Schaaf introduced—

S. F. No. 2337: A bill for an act relating to the metropolitan airports commission; prohibiting the expansion of Anoka county airport.

Referred to the Committee on Transportation.

Mr. Schaaf introduced—

S. F. No. 2338: A bill for an act relating to the metropolitan airports commission; providing compensation to property owners adversely affected by the expansion of certain minor use airports;

amending Minnesota Statutes 1976, Sections 473.121, by adding a subdivision; and 473.217, by adding a subdivision.

Referred to the Committee on Transportation.

Mr. Schaaf introduced—

S. F. No. 2339: A bill for an act relating to the department of transportation; establishing a transit vehicle replacement assistance fund program; appropriating money.

Referred to the Committee on Transportation.

Mr. Schaaf introduced—

S. F. No. 2340: A bill for an act relating to examining and licensing boards; creating the board of health facility administrators; transferring duties from the board of health to the board of health facility administrators; granting powers to the health facility's administrators board; amending Minnesota Statutes 1976, Sections 144.59; 144.60, Subdivisions 1 and 2; 144.62; 144.63, Subdivision 1; 144A.18; 144A.19, Subdivision 1; and 214.01, Subdivision 2.

Referred to the Committee on Governmental Operations.

Messrs. Setzepfandt and Strand introduced—

S. F. No. 2341: A bill for an act relating to the department of transportation; concerning the names and designations of certain highways; regarding the Glacial Ridge Trail; relating to directional markings; amending Minnesota Statutes 1976, Section 161.14, Subdivision 15.

Referred to the Committee on Transportation.

Mrs. Brataas and Mr. Frederick introduced—

S. F. No. 2342: A bill for an act relating to Olmsted county; authorizing the board of county commissioners to finance an addition to and to renovate the Olmsted county hospital.

Referred to the Committee on Local Government.

Mr. Willet introduced—

S. F. No. 2343: A bill for an act relating to public lands; authorizing the exchange of certain state-owned lands for the interests of a county or city in certain other lands; amending Minnesota Statutes 1976, Sections 94.343, Subdivision 1; and 94.344, Subdivision 1; and Chapter 94, by adding a section.

Referred to the Committee on Agriculture and Natural Resources.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 404 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 404: A bill for an act relating to political activities; providing for their regulation; defining terms; revising certain filing and reporting requirements; clarifying language; imposing expenditure and contribution limits; revising distribution of moneys from the state elections campaign fund to legislative candidates; removing obsolete provisions; providing penalties; amending Minnesota Statutes 1976, Sections 10A.01, Subdivisions 2, 5, 7, 9, 10, 11, 13, 15, 16 and 18, and by adding subdivisions; 10A.02, Subdivisions 1, 2, 4, 8, 9, 11, 12 and 13, and by adding a subdivision; 10A.04, Subdivision 1; 10A.07; 10A.09, Subdivision 6; 10A.11, Subdivisions 1 and 6; 10A.12, Subdivisions 1, 4 and 5; 10A.13; 10A.14, Subdivisions 1 and 2; 10A.15; 10A.16; 10A.17; 10A.19, Subdivision 1; 10A.20, Subdivisions 3, 4, 5 and 6; 10A.22, Subdivisions 1, 3, 4, 5 and 7; 10A.24; 10A.25; 10A.27; 10A.28; 10A.29; 10A.31, Subdivisions 3a, 5, 6, 7, 10, and by adding a subdivision; 10A.32; 10A.33; and 210A.01, Subdivision 3; and Chapter 10A, by adding sections; repealing Minnesota Statutes 1976, Sections 10A.09, Subdivision 7; 10A.17, Subdivision 2; and 10A.26.

Senate File No. 404 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 24, 1978

Mr. Coleman moved that H. F. No. 404 and the Conference Committee Report thereon be laid on the table. The motion prevailed.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted, with the exception of reports pertaining to appointments. The motion prevailed.

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 2101: A bill for an act relating to towns; attorney's services; fee limitation abolished; amending Minnesota Statutes 1976, Section 368.121.

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

Page 1, line 10, reinstate the stricken language

Page 1, line 11, after the stricken language, insert "\$5,000 in attorney's fees annually"

Page 1, line 12, strike "such" and insert "the"

Further, amend the title as follows:

Page 1, line 2, strike "attorney's services; fee" and insert "changing certain limitations on payments for attorney's fees"

Page 1, line 3, strike "limitation abolished"

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

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

S. F. No. 954: A bill for an act relating to waters; permitting the establishment of water user districts.

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

Page 1, after line 14, insert:

"Sec. 2. [112A.02] [APPLICABILITY.] Sections 1 to 37 of this act shall not apply to land within Hennepin, Ramsey, Washington, Anoka, Dakota, Scott, and Carver counties."

Page 2, line 10, before "all" insert "and"

Page 2, line 12, after "distribution," insert "and" and at the end of the line, strike ", and"

Page 2, line 13, strike "drainage"

Page 2, line 14, strike "irrigation, drainage, flood control,"

Page 2, line 20, strike the comma and insert "or"

Page 2, line 21, strike "or other" and ", however organized"

Page 2, strike lines 22 and 23 and insert:

"Subd. 7. "Court" means the district court, or a judge thereof, of the judicial district which includes the largest area of land within the proposed water use district."

Page 2, strike lines 29 and 30

Page 3, line 1, strike "in the department of natural resources" and insert "with the court"

Page 3, lines 3 and 6, strike "department" and insert "court"

Page 4, line 3, after "may" insert "to the extent authorized by resolution of the governing body of the city"

Page 4, line 4, strike everything except the period and insert "the limits of a city and may consist of land within the limits of any town or county, located outside the metropolitan area, as defined by section 473.121, subdivision 2"

Page 5, line 5, strike "25" and insert "50"

Page 5, line 5, after "landowners" insert ", except the holders of easements for electric or telephone transmission and distribution lines,"

Page 5, line 6, after "area" insert "outside the limits of any city"

Page 5, strike lines 8 to 10 and line 11 before the period and insert "be accompanied by a resolution of the governing body of the city requesting a specific area within the city be included within the proposed district"

Page 6, lines 6, 17, 22, 24 and 27, strike "department" and insert "court"

Page 6, line 29, after "shall" insert "order the petitioners to hire an engineer, with the approval of the court, to"

Page 6, strike line 32

Page 7, strike lines 1 to 3

Page 7, line 5, strike "department" and insert "court"

Page 7, strike lines 6 to 17, and strike line 18 before the period and insert "receipt of the engineer's report, shall conduct a hearing to determine whether the proposed project is feasible, will be of public utility and benefit, and will promote public health. If the court determines that the project is not feasible, will not be of public utility and benefit, or will not promote public health, it shall issue an order dismissing the petition. If the court deems the project is feasible, will be of public utility and benefit, and will promote public health, it shall immediately issue an order setting forth a copy of the petition, declaring that the petition is approved, and establishing the district. The petitioners shall file the establishment order in the office of the county auditor of each county in which any of the lands in the district are located"

Page 8, line 3, strike "19" and insert "20"

Page 8, line 4, strike "22" and insert "23"

Page 8, line 7, strike "in the department" and insert "with the court"

Page 8, line 8, strike "addressed to the department," and strike "25" and insert "50"

Page 8, line 9, strike "in any area to be included, and"

Page 8, strike line 10

Page 8, line 11, strike "directors" and insert ", except the holders of easements for electric or telephone transmission and distribution lines, in any area outside the limits of a city to be included, a copy of a resolution of the governing body of a city requesting a specific area within the city be included within the expanded district, and a resolution of the board of directors of the district approving the expansion"

Page 8, lines 24, 28, and 30, strike "department" and insert "court"

Page 8, line 28, strike "14" and insert "15"

Page 8, line 32, strike "12" and insert "13"

Page 9, line 1, strike "17" and insert "18"

Page 9, line 2, after "the" and before "approval" insert "court's"

Page 9, line 3, strike everything after "issuance"

Page 9, strike lines 4 and 5 and strike line 6 through the comma and insert "of its order, the board shall file a copy in the office of the county auditor of each county in which any lands of the district are located and then"

Page 9, line 10, strike "4" and insert "5"

Page 9, line 11, strike "8" and insert "9"

Page 9, line 22, strike "24" and insert "25"

Page 9, line 27, strike "may" and insert "shall"

Page 9, line 30, strike everything after "2."

Page 10, line 2, strike everything after the period

Page 10, strike lines 3 and 4 and strike line 5 through the period

Page 10, line 24, strike the comma and line 25, strike "receive all proxies,"

Page 10, line 30, strike "All proxies shall be"

Page 10, line 31, strike everything before "All"

Page 11, line 8, strike "landowner" and insert "party to a contract with"

Page 11, line 9, strike "of"

Page 11, line 20, strike "shall" and insert "may"

Page 11, line 21, strike "\$25" and insert "\$35"

Page 12, line 3, strike "board" and insert "court"

Page 12, line 4, strike "secretary of state" and insert "court"

Page 13, lines 18 and 19, strike "for irrigation or flood control or"

Page 13, line 20, strike "or for the drainage of lands,"

Page 14, line 13, after "domain" insert "pursuant to chapter 117"

Page 16, line 10, strike "department of natural resources" and insert "board"

Page 19, line 4, strike "irrigation or other" and strike the comma

Page 19, line 5, strike "or drainage works,"

Page 19, line 23, strike "24" and insert "25"

Page 20, line 25, strike "24" and insert "25"

Page 20, lines 31 and 32, strike "in the office of the water resources commission" and insert "with the clerk of court"

Page 21, after line 5, insert:

"Sec. 37. [112A.37] [APPEALS.] Any party aggrieved by a final order issued pursuant to section 13 of this act which approves or dismisses a petition or which refuses or establishes a project or a district, may appeal therefrom to the supreme court in the manner provided in civil actions. The appeal shall be made and perfected within 30 days after the filing of the order. The notice of appeal shall be served on the clerk of district court and the members of the district's board of directors.

Sec. 38. This act is effective the day following final enactment."

Renumber the sections and the proposed coding in sequence

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

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

S. F. No. 1848: A bill for an act relating to labor; providing an exception of certain employees from the minimum wage requirement; amending Minnesota Statutes 1976, Section 177.23, Subdivision 7.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 177.23, is amended by adding a subdivision to read:

Subd. 10. With respect to any caretaker, manager or other on-site employee of a residential building for whom all or a major portion of his housing is provided in return for services rendered, "hours worked" as contained in rules promulgated pursuant to section 177.28, subdivision 1, shall not mean time during which such person is required to be in the dwelling unit but is not otherwise performing any duties of employment. For the purposes of this subdivision, "dwelling unit" is the individual unit which is ordinarily and commonly considered to be the principal place of residence of the employee."

Amend the title as follows:

Page 1, line 2, strike "providing an exception of"

Page 1, strike lines 3 to 5 and insert "defining "hours worked"; providing that for certain employees the term shall not include certain periods and shall not be used in computing wages; amending Minnesota Statutes 1976, Section 177.23, by adding a subdivision."

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

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

S. F. No. 322: A bill for an act relating to natural resources; watershed districts; changing bonding provisions for managers; changing and clarifying administrative provisions; establishing a survey and data acquisition fund; creating fees for applications for permits and for field inspections; requiring a permit applicant to post a bond; providing penalties and enforcement provisions; amending Minnesota Statutes 1976, Sections 112.42, Subdivision 1; 112.43, Subdivision 1; 112.48, Subdivision 4; 112.49, by adding a subdivision; 112.50, Subdivision 1; 112.55; 112.61, by adding a subdivision; 112.62, by adding a subdivision; 112.69; 112.761, Subdivision 1; 112.801, Subdivision 8; 112.85, Subdivision 1; and Chapter 112, by adding sections.

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

Page 4, line 14, strike "\$20,000" and insert "*a total of \$50,000*"

Page 4, line 14, after "counties" insert "*and financial institutions*"

Page 4, after line 32, insert

"(17) Adopt rules and regulations to effectuate the purposes of the act and the powers of the managers. In the"

Page 5, after line 24, insert

"No resolution, ordinance, rule, or regulation approved by the managers after August 1, 1978, which affects land or water within the boundaries of a home rule charter or statutory city shall be effective within the city's boundaries prior to notifying the governing body of the city."

Page 5, line 31, strike "\$250,000" and insert "\$200,000"

Page 8, delete lines 31 and 32

Page 9, line 11, after "Sec." strike "6" and insert "7"

Page 9, line 17, strike "*two mills*" and insert "*one mill*"

Page 9, line 19, strike " , or \$50,000, whichever is the lesser"

Page 9, line 19, after the period insert

"At no time shall the balance of the survey and data acquisition fund exceed \$50,000."

Page 9, line 32, after the semicolon, insert

"PROCEDURE; CONVEYANCES TO FEDERAL GOVERNMENT.] Subdivision 1. Where an improvement is to be constructed within the district under a contract between the managers of said"

Page 12, line 21, after "property" insert "*pursuant to section 112.69*"

Page 14, strike section 10

Page 15, strike lines 21 to 26 and insert

"[112.87] [DAMAGES, PAYMENT.] *Section 117.115 shall not apply to any project to be financed by special assessment. When the damages for a project to be financed by special assessment are awarded and duly confirmed, the managers shall determine that the project's benefits exceed the total costs, including any damages awarded, and shall amend its statement filed with the county auditor pursuant to section 112.60, subdivision 1, to reflect the amount of damages awarded. Before entering upon any property for which damages were awarded in order to initiate the construction of the project, the managers shall pay the amount of damages awarded less any assessment against the property from the funds provided by the county board pursuant to section 112.60. In case of appeal of the amount of damages, no damages shall be paid until the final determination thereof.*"

Page 17, after line 2, insert "*Sec. 15. Laws 1969, Chapter 969, is repealed.*"

Renumber the sections in sequence

Amend the title as follows:

Line 7, strike "requiring" and insert "authorizing watershed districts to require"

Lines 15 and 16, strike "112.801, Subdivision 8;"

Line 17, after "sections" insert "; repealing Laws 1969, Chapter 969"

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

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

S. F. No. 526: A bill for an act relating to game and fish; permitting the use of tip-ups; amending Minnesota Statutes 1976, Section 101.42, Subdivision 20.

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

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1976, Section 101.42, Subdivision 11, is amended to read:

Subd. 11. Except as otherwise specifically permitted, it shall be unlawful to take fish by means of *devices, chemicals, or substances such as, but not limited to, explosives, drugs, poisons, lime, medicated bait, fish berries, or other deleterious substances, which kill,*

stun, or narcotize fish; or by means of nets, traps, tip-ups, trot lines, wires, springs, ropes or cables, or snares; or any spring devices which impale, hook, or otherwise capture fish, except as expressly authorized. Possession of any such substances or contrivances by any persons on any waters of this state, their shores or islands, shall be presumptive evidence that the same are possessed in violation of this provision."

Page 1, line 13, strike the new language

Page 1, line 14, strike "*one on each of his lines, and the lines will*" and insert "*Lines to which tip-ups are attached shall*"

Page 1, line 15, strike "*each*" and insert "*the*"

Page 1, after line 15, insert:

"Sec. 3. This act is effective 30 days after its final enactment."

Renumber the sections in sequence

Amend the title as follows:

Line 2, after the semicolon, insert "prohibiting certain means of taking fish;"

Line 4, strike "Subdivision" and insert "Subdivisions 11 and"

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

Mr. McCutcheon from the Committee on Taxes and Tax Laws, to which was referred

S. F. No. 2078: A bill for an act relating to taxation; sales tax; changing definition of common carriers as retailers; amending Minnesota Statutes, 1977 Supplement, Section 297A.211, Subdivision 1.

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

Page 1, line 18, after "property" insert "*or passengers*"

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

Mr. McCutcheon from the Committee on Taxes and Tax Laws, to which was referred

S. F. No. 2062: A bill for an act relating to taxation; delaying the effective date of change in allocation of gross income of estates and trusts; amending Laws 1977, Chapter 423, Article I, Section 16.

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

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 2111: A bill for an act relating to state government; directing the commissioner of administration to grant contract preference to American made products; amending Minnesota Statutes 1976, Section 16.07, by adding a subdivision.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Chapter 16, is amended by adding a section to read:

[16.073] [PREFERENCE FOR AMERICAN-MADE MATERIALS.] *Subdivision 1. [DEFINITIONS.] As used in this section, the following terms shall have the meanings given them:*

(a) "State" means the state of Minnesota or any agency thereof, a contractor acting pursuant to a contract with the state, and any person acting on behalf of the state or any agency thereof;

(b) "Materials" means any goods, supplies, equipment or any other tangible products or materials;

(c) "Manufactured" means mined, produced, manufactured, fabricated or assembled;

(d) "Manufactured in the United States" means manufactured in whole or in substantial part within the United States or that the majority of the component parts thereof were manufactured in whole or in substantial part in the United States.

Subd. 2. [PURCHASE PREFERENCE.] Notwithstanding the provisions of any other law to the contrary, no materials shall be purchased by the state for use for governmental purposes which are not manufactured in the United States, except as may be provided in this section. To the extent possible, specifications shall be written so as to permit the state to purchase materials manufactured in the United States.

Subd. 3. [EXEMPTIONS.] Subdivision 2 shall not apply if the person having contracting authority in respect to the purchase determines that (1) the materials are not manufactured in the United States in sufficient and reasonably available quantities, (2) the price or bid of the materials unreasonably exceeds the price or bid of available and comparable materials manufactured outside of the United States, (3) the quality of the materials is substantially less than the quality of comparably priced available materials manufactured outside of the United States, or (4) the purchase of the materials manufactured in the United States is otherwise not in the public interest. Subdivision 2 also shall not apply if the materials are purchased with a view to commercial resale or with a view to use in the production of goods for commercial sale.

Sec. 2. [EFFECTIVE DATE.] *This act is effective in respect to all contracts executed by the state after July 1, 1978."*

Amend the title as follows:

Page 1, lines 5 to 6, strike "Section 16.07; by adding a subdivision" and insert "Chapter 16, by adding a section"

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

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 2029: A bill for an act relating to taxation; property tax; requiring county to reimburse township for certain errors made by county auditor.

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

Page 1, line 13, before the period insert "within 30 days of notification of the error"

Page 1, after line 13, insert:

"Sec. 2. The difference between the correct levy and the erroneous levy shall be added to the township levy for the subsequent levy year; provided that if the amount of the difference exceeds five mills, the excess shall be added to the township levy for the second and later subsequent levy years, not to exceed an additional levy of five mills in any year, until the full amount of the difference has been levied. The funds collected from the corrected levies shall be used to reimburse the county for the payment required by section 1."

Renumber the following section

Amend the title as follows:

Page 1, line 2, strike "property tax;"

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

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 1809: A bill for an act relating to retirement; providing for an exclusion from public pension coverage for those persons covered by certain federal public service employment programs in compliance with federal regulations; amending Minnesota Statutes 1976, Sections 69.29; 136.80, Subdivision 1; 352B.01, Subdivision 2; 353.64, by adding a subdivision; 354A.10; 423.23; 423.372; 423.43; 423.801, Subdivision 2; 424.03; Chapter 356, by adding a section; and Laws 1969, Chapter 950, Section 1; Minnesota Statutes, 1977 Supplement, Sections 352.01, Subdivision 28; 353.01, Subdivision 2b; 354.05, Subdivision 2; 422A.09, Subdivision 3.

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

Page 2, line 6, strike "Each" and insert "The St. Paul and Duluth"

Page 2, line 6, strike "association" and insert "associations"

Page 2, line 6, after "exclude" insert "and the Minneapolis fire-fighters relief association shall exclude or shall consider as a provisional member of the relief association pursuant to section 10, as specified by the city council of the city of Minneapolis,"

Page 15, line 32, after "act" strike the comma and insert "shall be included as a member of a public retirement fund, unless the person is employed by an employer where public retirement coverage is to be provided by a covered fund enumerated in section 10, subdivision 2, and the city council of the city of Minneapolis specifies that the person is to be considered as a provisional member of the relief association pursuant to section 10, or"

Page 17, after line 4, insert:

"Sec. 10. Minnesota Statutes 1976, Chapter 356, is amended by adding a section to read:

[356.451] [PROVISIONAL MEMBERSHIP FOR CERTAIN PERSONS IN VARIOUS RETIREMENT FUNDS OR PLANS.]
Subdivision 1. [RESERVE ACCOUNT FOR PROVISIONAL MEMBERS; AUTHORIZATION.] *Notwithstanding any provisions to the contrary of the laws governing the funds enumerated in subdivision 2, any person who is employed in subsidized on-the-job training, work experience or public service employment as an enrollee under the federal comprehensive employment and training act, who does not have as of the later of the effective date of this act or the date of employment sufficient service credit in the retirement fund to meet the minimum vesting requirements for a deferred annuity, who otherwise meets all of the applicable eligibility requirements of the fund and who is designated as such by the city council of the city of Minneapolis shall be considered a provisional member of the fund. There shall be established a subsidiary reserve account for provisional members which shall be managed by the board of trustees of the fund as a separate account and which shall not be considered as an asset or a liability of the fund. To this account shall be credited all employee and required employer contributions made by or on account of provisional members. A separate record for each provisional member shall be maintained showing the length of service completed, the accrued employee and required employer contributions made by or on account of each provisional member, and the actual rate of interest earned on the assets of the account. The assets of the separate account shall be invested in the same manner as and subject to the same limitations which are applicable to the general assets of the retirement fund. The board of trustees shall remit back to the prime sponsor of the federal comprehensive employment and training act program quarterly an amount equal to the total required employer contributions made on account of provisional members who terminate or who are terminated from subsidized on-the-job training, work experience or public service employment without obtaining unsubsidized employment with an employer who employs members who regularly have retirement coverage provided by that retirement fund or without obtaining*

sufficient service credit to become entitled to a deferred retirement annuity had they been regular members of that retirement fund during the period of their provisional membership, plus interest at the rate or rates actually earned and in addition any amounts which exceed the funds required to cover current provisional members as projected by the board of trustees. Any provisional member who terminates or is terminated from subsidized on-the-job training, work experience or public service employment without obtaining unsubsidized employment with an employer who employs members who regularly have retirement coverage provided by that retirement fund or without obtaining sufficient service to become entitled to a deferred retirement annuity had he been a regular member of the retirement fund during the period of his provisional membership shall be entitled upon making valid written application to a refund of all employee contributions credited to the member in the subsidiary reserve account for provisional members, plus interest at the average actual rate of interest earned on the assets of the account, but not to exceed the rate of three and one-half percent per annum compounded annually from the date of commencement of provisional membership, computed to the first day of the month in which the refund is processed, and based on fiscal year balances. If the provisional member obtains unsubsidized employment with an employer who employs members who regularly have retirement coverage provided by that retirement fund or obtains sufficient service to become entitled to a deferred retirement annuity had the period of provisional membership been as a regular member, the board of trustees shall transfer the total employee and required employer contributions and any interest attributable to those contributions to the regular retirement fund and shall credit the period of service as a provisional member as allowable or formula service. Unless the provisional member becomes a regular member of the same retirement fund prior to the quarterly reprogramming next following the person's termination of provisional status, no period of provisional membership shall be considered allowable service for purposes of the combined service annuity pursuant to section 356.30 or any service in more than one retirement fund provision. If any provisional member obtains service in an amount sufficient to entitle the provisional member to a disability benefit or the provisional member's survivor to a survivor's benefit had the provisional member been a regular member for that period of service, then the provisional member or the provisional member's survivor shall be entitled to a benefit when otherwise qualified notwithstanding the fact that the person was a provisional member. Upon the commencement of such benefit, an amount equal to the contributions and interest credited to the provisional member shall be transferred from the reserve account for provisional members to the regular fund. In any actuarial valuation made by the fund pursuant to chapter 356, the results of the subsidiary reserve account for provisional members shall be contained in a separate calculation or tabulation. The separate calculation or tabulation shall use the actuarial assumptions used by the fund which are appropriate to the experience of the subsidiary reserve account for provisional members, and shall

include the items contained in section 356.215, subdivision 4, clauses (1), (2), (6) (a), and (11).

Subd. 2. [COVERED FUNDS.] Subdivision 1 applies to the following funds:

(1) *Minneapolis municipal employees retirement fund established pursuant to chapter 422A;*

(2) *Minneapolis firefighters relief association established pursuant to chapter 69;*

(3) *Minneapolis police relief association established pursuant to Laws 1949, Chapter 406, as amended;*

(4) *any plan covering employees of the housing and redevelopment agency of the city of Minneapolis as established by law, ordinance, or otherwise."*

Renumber the sections in sequence

Page 19, line 25, after "act," insert "unless the city council of the city of Minneapolis specifies that the person is to be considered as a provisional member of the retirement fund pursuant to section 10 or"

Page 28, line 16, after "credit" insert "for the period of employment in subsidized on-the-job training, work experience or public service employment as an enrollee under the federal comprehensive employment and training act"

Page 29, line 17, after "made" insert "; provided, however, that the employer for the unsubsidized employment, the employer for the subsidized employment, or the applicable federal comprehensive employment and training act prime sponsor from funds provided under the federal comprehensive employment and training act, as funds permit, may pay the employer contribution and the employer additional contribution, if any, plus interest at the specified rate"

Page 30, line 14, after "act." insert "For any current employee to whom section 10 applies, that employee shall be considered a provisional member for any future service from and after the effective date of this act."

Further, amend the title as follows:

Page 1, line 6, after "regulations;" insert "establishment of reserve accounts for certain provisional members;"

Page 1, line 10, after "adding" strike "a"

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

Page 1, line 14, after "Subdivision 2;" insert "and"

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S. F. No. 2080: A bill for an act relating to the division of highway patrol; severing the training funding of the departments of public safety and of transportation; appropriating moneys; amending Minnesota Statutes 1976, Section 299D.03, Subdivision 6.

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S. F. No. 1882: A bill for an act relating to highway traffic regulations; prohibiting possession of certain traffic signs; granting immunity from prosecution to persons who voluntarily notify police of their possession of such signs; amending Minnesota Statutes 1976, Section 169.08.

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

Page 1, line 19, after "article" insert "*and who returns the article within ten days after gaining possession thereof,*"

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S. F. No. 2106: A bill for an act relating to highway traffic regulation; concerning accident reports; making reports available for accident prevention purposes to additional agencies; concealing the identity of involved persons; amending Minnesota Statutes 1976, Section 169.09, Subdivision 13.

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

Page 1, line 17, after "transportation," insert "*and appropriate*"

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

Mr. Hughes from the Committee on Education, to which was referred

S. F. No. 1775: A bill for an act relating to Independent School District No. 272 (Eden Prairie) and Independent School District No. 273 (Edina); providing for the transfer of territory from Independent School District No. 272 to Independent School District No. 273.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred

S. F. No. 2157: A bill for an act relating to Independent School District No. 272 (Eden Prairie) and Independent School District No. 271 (Bloomington); providing for the transfer of territory from Independent School District No. 272 to Independent School District No. 271.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred

S. F. No. 1547: A bill for an act relating to Independent School District No. 624 and Independent School District No. 12; providing for the exchange of territory between the districts.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Hughes from the Committee on Education, to which was re-referred

S. F. No. 1748: A bill for an act relating to special school district No. 1 of the city of Minneapolis; establishing four year terms of office for directors of the board of education; amending Laws 1959, Chapter 462, Section 3, Subdivision 1, as amended and renumbered.

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

Mr. Hughes from the Committee on Education, to which was referred

S. F. No. 1703: A bill for an act relating to education; school boards; planning task force; providing for removal of task force members; amending Minnesota Statutes, 1977 Supplement, Section 122.86, Subdivision 3.

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

Page 2, line 1, strike "*schools*" and insert "*school districts*"

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

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 2143: A bill for an act relating to family planning services; providing for the establishment of a comprehensive state family planning services plan; appropriating funds.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 145.922, is amended by adding a subdivision to read:

Subd. 3. The commissioner may make special grants to cities, counties, groups of cities or counties, or nonprofit corporations to provide pre-pregnancy family planning services. Applicants shall submit for approval a plan and budget for the use of funds in the form and detail as specified by the commissioner. The commissioner may adopt by emergency and permanent rules criteria for approval of plans and budgets. Grantees shall maintain records, including records of expenditures to be audited, and shall furnish reports as specified by the commissioner. The commissioner of health may not require that any city or county apply for or receive grants under this subdivision as a condition for the receipt of any state or federal funds unrelated to family planning services.

Sec. 2. Minnesota Statutes 1976, Chapter 145, is amended by adding a section to read:

[145.923] [INDIVIDUAL RIGHTS, MEDICAL PRIVILEGE.]
Subdivision 1. The request of any person for family planning services or his or her refusal to accept any service shall in no way affect the right of the person to receive public assistance, public health services, or any other public service. Nothing in section 1 shall abridge the right of the individual to make decisions concerning family planning, nor shall any individual be required to state his or her reason for refusing any offer of family planning services.

Subd. 2. Any employee of the agencies engaged in the administration of the provisions of section 1 may refuse to accept the duty of offering family planning services to the extent that the duty is contrary to his personal beliefs. A refusal shall not be grounds for dismissal, suspension, demotion, or any other discrimination in employment. The directors or supervisors of the agencies shall reassign the duties of employees in order to carry out the provisions of section 1.

Subd. 3. All information gathered by any agency, entity, or individual conducting programs in family planning, other than statistical information compiled without reference to the identity of any individual or other information which the individual allows to be released through his or her informed consent, shall be considered a confidential medical record.

Sec. 3. *The sum of \$1,400,000 is appropriated from the general fund to the commissioner of health for the purposes specified in section 1.*

Sec. 4. *This act is effective on the day following final enactment."*

Amend the title as follows:

Page 1, strike line 3 and insert "for special grants for"

Page 1, line 4, strike "plan"

Page 1, line 5, strike "funds" and insert "money; amending Minnesota Statutes 1976, Section 145.922, by adding a subdivision; and Chapter 145, by adding a section."

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

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 372: A bill for an act relating to health; providing standards of consent for abortions; amending Minnesota Statutes 1976, Chapter 145, by adding a section.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Chapter 145, is amended by adding a section to read:

[145.424] [CONSENT.] *Subdivision 1. Except as provided in sections 144.341 and 144.342, a physician shall not perform an abortion for a minor female unless the physician has obtained the written consent of the minor and the written consent of either her parents or the juvenile court.*

If one parent has died, has deserted the family, or cannot give consent because of medical incapacity, consent from the remaining parent is sufficient. If both parents have died or deserted the family, consent from the guardian of the minor, or from the person who has assumed the care and custody of the minor is sufficient. The decision whether to grant or withhold consent shall in each case be made in the best interests of the minor female.

Subd. 2. Consent obtained by an order of a juvenile judge shall be after a showing of good cause, and after such hearing as the court deems necessary. Petition for the order shall have priority over other matters of the juvenile court. The judge shall not deny the order on the basis of concerns exclusively of the parent, but shall make his decision based upon the child's best interests. Notification of the hearing, or of an adjourned hearing, and an opportunity to be heard may be given to the parents or guardian of the minor female, or notice may be withheld, as the judge of juvenile court may consider in the child's best interests."

And when so amended the bill be re-referred to the Committee on Judiciary without recommendation. Amendments adopted. Report adopted.

Mr. Anderson from the Committee on Energy and Housing, to which was referred

S. F. No. 1967: A bill for an act relating to housing; authorizing housing and redevelopment agencies to make rehabilitation loans and grants; amending Minnesota Statutes 1976, Section

462.445, Subdivision 9; repealing Laws 1976, Chapter 311, Section 1; Laws 1977, Chapters 262; and 344, Sections 2 and 3.

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

Page 2, line 16, strike “; *provided that*” and insert a period

Page 2, line 17, strike “*grant must be recovered by the authority*” and insert “*rehabilitation grant made by an authority or by any city pursuant to any general or special law must provide for the recovery of the grant by the city or*”

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

Mr. Tennessen from the Committee on Commerce, to which were referred the following appointments as reported in the Journal for January 17, 1978:

CABLE COMMUNICATIONS BOARD

John Stone

Dr. Jennis Bapst

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

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Tennessen from the Committee on Commerce, to which was referred the following appointment as reported in the Journal for May 17, 1977:

PUBLIC SERVICE COMMISSION

Juanita Satterlee

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

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Tennessen from the Committee on Commerce, to which was referred the following appointment as reported in the Journal for February 13, 1978:

PUBLIC SERVICE COMMISSION

Arlen I. Erdahl

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

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Tennesen from the Committee on Commerce, to which were referred the following appointments as reported in the Journal for January 19, 1978:

**DEPARTMENT OF COMMERCE
CONSUMER SERVICES DIVISION
DIRECTOR**

Tobey Lapakko

CABLE COMMUNICATIONS BOARD

Eugene Schroeder

PUBLIC SERVICE COMMISSION

Ruth Cain

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

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Purfeerst from the Committee on Transportation, to which was referred

S. F. No. 1908: A bill for an act relating to aeronautics; modifying airport zoning regulations to protect existing residential neighborhoods; amending Minnesota Statutes 1976, Sections 360.062; 360.066, Subdivision 1, and by adding a subdivision.

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

Page 1, line 15, strike "also if of the obstruction type, in effect"

Page 1, line 16, strike "reduces" and insert "*may reduce*"

Page 1, line 17, strike "thus tending to"

Page 1, line 18, strike "destroy or impair" and insert "*thereby impairing*"

Page 1, line 19, strike "*It is found also, however, that the*"

Page 1, strike lines 20 to 23

Page 2, strike line 1

Page 2, line 2, strike "*up urban areas.*"

Page 2, line 10, strike "*It is declared that*"

Page 2, strike lines 11 to 15

Page 2, line 16, strike "safety."

Page 2, line 16, strike "both"

Page 3, line 1, strike "each" and insert "any"

Page 3, line 1, strike "or county, or"

Page 3, line 2, after "board," insert "or joint airport operating board,"

Page 3, line 11, strike "In" and insert "No"

Page 3, strike lines 12 to 32

Page 4, strike lines 1 to 17 and insert the following:

"standards or regulations shall be adopted pursuant to sections 360.061 to 360.074 by the commissioner or by any joint airport zoning board or joint airport operating board that classify as a nonconforming use or require such classification with respect to any residential structure or undeveloped parcel of real property consisting of residential building lots existing on January 1, 1978 in an established residential neighborhood. Any such standards or regulations may permit or require the classification of any residential structure as an airport hazard and provide for the alteration or acquisition and removal of such a structure at public expense regardless of classification of that structure as a conforming use.

Sec. 4. Minnesota Statutes 1976, Section 360.066, is amended by adding a subdivision to read:

Subd. 1b. Within nine months after the effective date of this act the commissioner shall amend the minimum standards defining airport hazard areas and categories of uses permitted therein to conform with the requirements of section 3 of this act. If the commissioner fails to adopt amended standards as required by this section the unamended standards, insofar as they require classification of any residential property as a conforming use contrary to the provisions of section 3, shall be without force or effect until those amended standards are adopted.

Sec. 5. *Nothing in this act shall be construed to require the amendment of local zoning ordinances to give conforming use status to a use or structure which is currently nonconforming under an existing local zoning ordinance."*

Renumber the remaining section

Further, amend the title as follows:

Page 1, line 6, strike "a subdivision" and insert "subdivisions"

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

Mr. Coleman from the Committee on Rules and Administration, to which were referred H. F. Nos. 1728, 1860 for comparison with companion Senate Files, reports the following House Files were found identical and recommends the House Files be given their second reading and substituted for their companion Senate Files as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
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H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
1728	1789			1860	1655

and that the above Senate Files be indefinitely postponed.

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

Mr. Coleman from the Committee on Rules and Administration, to which were referred H. F. Nos. 1103 and 1923 for comparison with companion Senate Files, reports the following House Files were found not identical with their companion Senate Files as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
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H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
1103	762				
1923	1766				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1103 be amended as follows:

Page 1, delete lines 14 to 21, and insert

"15.061 [CONSULTANT, PROFESSIONAL AND TECHNICAL SERVICES.] Notwithstanding the provisions of any other law Pursuant to the provisions of section 2, the head of a state departments and agencies department or agency may, with the approval of the commissioner of administration, use salary appropriations to contract for consultant services and professional and technical services in connection with the operation of the departments and agencies department or agency. Such contracts A contract negotiated under this section shall not be subject to the competitive bidding requirements of chapter 16."

Page 2, delete lines 8 to 15 and insert

"commission, authority, department or other agency of the executive branch of state government.

(4) "Consultant services" means services which are intellectual in character which do not involve the provision of supplies or materials; which include analysis, evaluation, prediction, planning or recommendation; and which result in the production of a report.

(5) "Professional and technical services" means services which are predominantly intellectual in character; which do not involve the provision of supplies or materials; and in which the final result is the completion of a task rather than analysis, evaluation, prediction, planning or recommendation."

Page 2, delete lines 30 to 32 and insert

"Subd. 3. [PROCEDURE FOR CONSULTANT AND PROFESSIONAL AND TECHNICAL SERVICES CONTRACTS.] Before approving a proposed state contract for consultant services

or professional and technical services the commissioner shall have at least determined that:"

Page 3, line 3, before the semicolon insert " , and that there is statutory authority to enter into the contract"

Page 3, after line 5 insert

"(3) the contract will not establish an employer/employee relationship between the state or the agency and any persons performing under the contract;

(4) the agency made reasonable efforts to publicize the availability of the contract;

(5) no current state employees will engage in the performance of the contract;

(6) no state agency has previously performed or contracted for the performance of tasks which would be substantially duplicated under the proposed contract;"

Renumber the remaining clauses in sequence

Page 3, line 14, delete "such" and insert "the"

Page 3, line 16, delete "an" and insert "any"

Page 3, delete line 20

Page 3, line 21, delete "any state agency," and insert "to the head of another agency" and delete the comma before "when"

Delete page 3, line 31 to page 4, line 24 and insert

"the contract until it has first been executed by the head of the agency which is a party to the contract and has been approved in writing by the commissioner or his delegate pursuant to this section, by the attorney general or his delegate as to form and execution and by the commissioner of finance or his delegate for encumbrance or recordation purposes. The head of the agency may delegate the execution of specific contracts or specific types of contracts to a deputy or assistant head within his agency if the delegation has been approved by the commissioner of administration and filed with the secretary of state.

Subd. 8. [REPORTS.] The commissioner shall monthly submit to the governor and the legislature a listing of all contracts for consultant services and for professional and technical services executed or disapproved in the preceding month. The report shall identify the parties and the contract amount, duration and tasks to be performed. The commissioner shall also issue quarterly reports summarizing the contract review activities of his department over the preceding quarter."

Page 4, line 25, delete "Section 16.10 is" and insert "Sections 16.10 and 161.35, are"

Page 4, line 27, delete "its"

Further, amend the title as follows:

Line 7, delete "161.35;"

Line 9, delete "Section 16.10" and insert "Sections 16.10; and 161.35"

And when so amended H. F. No. 1103 will be identical to S. F. No. 762, and further recommends that H. F. No. 1103 be given its second reading and substituted for S. F. No. 762, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1923 be amended as follows:

Page 2, line 6, after "1978" delete the new comma

Page 2, line 7, after "1" delete the new comma

And when so amended H.F. No. 1923 will be identical to S. F. No. 1766, and further recommends that H. F. No. 1923 be given its second reading and substituted for S. F. No. 1766, 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. Coleman from the Committee on Rules and Administration, to which was referred H. F. No. 1882 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.
				1882	1647

and that the above Senate File be indefinitely postponed.

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

Mr. Coleman from the Committee on Rules and Administration, to which were referred H. F. Nos. 1520, 1857 and 1323 for comparison with companion Senate Files, reports the following House Files were found not identical with their companion Senate Files 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.
1520	1886				
1857	1786				
1323	1573				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1520 be amended as follows:

Page 1, line 15, delete "A \$100"

Page 1, line 16, delete the underscored language

Page 2, lines 4 and 5, delete the underscored language

Page 2, delete lines 14 and 15

And when so amended H. F. No. 1520 will be identical to S. F. No. 1886, and further recommends that H. F. No. 1520 be given its second reading and substituted for S. F. No. 1886, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1857 be amended as follows:

Page 1, line 12, delete the underscored language

Page 1, line 21 to page 2, line 1, delete the underscored language

Further, amend the title

Line 2, after "requiring" insert "all"

And when so amended H. F. No. 1857 will be identical to S. F. No. 1786, and further recommends that H. F. No. 1857 be given its second reading and substituted for S. F. No. 1786, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1323 be amended as follows:

Page 2, after line 25 insert

"Sec. 3. Minnesota Statutes 1976, Section 136A.63, is amended to read:

136A.63 [REGISTRATION.] All schools located within Minnesota and all schools located outside Minnesota which offer programs or courses within Minnesota shall register annually with the board. The board shall have the authority to require those schools located outside Minnesota which offer programs or courses within Minnesota to register annually.

Sec. 4. Minnesota Statutes 1976, Section 136A.64, is amended to read:

136A.64 [INFORMATION.] *Subdivision 1.* As a basis for registration, schools shall provide the board with such information as the board needs to determine the nature and activities of the school, including but not limited to, requirements for admission,

enrollments, tuition charge, refund policies, curriculum, degrees granted, and faculty employed. The board shall have the authority to verify the accuracy of the information submitted to it by inspection or any other means it deems necessary.

Subd. 2. The board shall not disclose financial records provided to it by a school pursuant to this section except for the purpose of defending, at hearings pursuant to Minnesota Statutes, Chapter 15, or other appeal proceedings, its decision to approve or not to approve the granting of degrees or the use of a name by the school. Minnesota Statutes, Section 15.17, Subdivision 4, shall not apply to such records.

Sec. 5. Minnesota Statutes 1976, Section 136A.65, is amended to read:

136A.65 [APPROVAL OF DEGREES AND NAME.] *Subdivision 1. No school subject to registration shall grant a degree unless such degree is approved by the board, nor shall any school subject to registration use the name "college", "academy", "institute" or "university" in its name without approval by the board.*

Subd. 2. The board shall establish procedures for approval, including notice and an opportunity for a hearing pursuant to chapter 15 if such approval is not granted. If a hearing is requested, no disapproval shall take effect until after such hearing.

Subd. 3. A school subject to registration shall be granted approval to use the term "college", "academy", "institute" or "university" in its name whether or not it offers a program leading to a degree, if it was organized, operating and using such term in its name on or before August 1, 1975, and if it meets the other policies and standards for approval established by the board."

Page 2, line 26, delete "3" and insert "6"

Page 3, line 6, after "organization" insert a comma and delete "and"

Page 3, line 9, after "organization," insert "and"

Page 3, delete lines 18 to 32

Page 4, line 1, delete "4" and insert "7"

Page 4, line 22, delete "Subd. 3."

Page 4, line 24, delete "major" and after "purpose" insert "or effect"

Page 5, line 1, delete "4" and insert "3"

Page 5, line 5, delete "5" and insert "8"

Further, amend the title as follows:

Page 1, delete lines 3 to 5 and insert

"coordinating board; making certain public post-secondary educational institutions located in another state or country subject to registration; providing certain restrictions on the use of records

provided in connection with registration; granting approval for the use of certain names by certain schools; providing exemption from registration by certain schools;"

Page 1, line 7, before "and" insert "136A.63; 136A.64; 136A.65;"

And when so amended H. F. No. 1323 will be identical to S. F. No. 1573, and further recommends that H. F. No. 1323 be given its second reading and substituted for S. F. No. 1573, 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. Borden from the Subcommittee on Bill Scheduling, to which were referred S. F. Nos. 1923, 1830, 1943, 2015, 1690, 1624, 1721, 2047, 2037, 1968, 1757, 1740, 1733, 1853, 1753, 1808, 1807, 1067, 1915, 1946, 1428 and H. F. No. 267 makes the following report:

That S. F. Nos. 1923, 1830, 1943, 2015, 1690, 1624, 2047, 2037, 1968, 1757, 1740, 1733, 1853, 1753, 1808, 1807, 1067, 1915, 1946, 1428 and H. F. No. 267 be placed on the General Orders Calendar in the order indicated.

That S. F. No. 1721 is being retained in the Subcommittee.

That there were no other bills before the Subcommittee on which floor action was requested. Report adopted.

SECOND READING OF SENATE BILLS

S. F. Nos. 1775, 2157 and 1547 were read the second time.

S. F. Nos. 2101, 954, 1848, 322, 526, 2078, 2062, 2029, 2111, 1809, 2080, 1882, 2106, 1748, 1703, 1967 and 1908 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. Nos. 1728, 1860, 1103, 1923, 1882, 1520, 1857 and 1323 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Lewis moved that the names of Messrs. Vega and Sikorski be added as co-authors to S. F. No. 1073. The motion prevailed.

Mr. Solon moved that the name of Mr. Jensen be added as co-author to S. F. No. 1877. The motion prevailed.

Mr. Kleinbaum moved that the names of Messrs. Schaaf and Sikorski be added as co-authors to S. F. No. 2004. The motion prevailed.

Mr. McCutcheon moved that the names of Messrs. Coleman and Ashbach be added as co-authors to S. F. No. 2031. The motion prevailed.

Mr. Schmitz moved that the name of Mr. Schaaf be added as co-author to S. F. No. 2230. The motion prevailed.

Mr. Stumpf moved that the names of Messrs. Coleman, McCutcheon, Chenoweth and Sieloff be added as co-authors to S. F. No. 2239. The motion prevailed.

Mr. Willet moved that the name of Mr. Lessard be added as co-author to S. F. No. 2242. The motion prevailed.

Mr. Willet moved that the name of Mr. Johnson be added as co-author to S. F. No. 2248. The motion prevailed.

Mr. Johnson moved that the name of Mr. Sikorski be added as co-author to S. F. No. 2263. The motion prevailed.

Mr. Tennessen moved that the names of Messrs. Merriam and Sikorski be added as co-authors to S. F. No. 2295. The motion prevailed.

Mr. Sikorski moved that S. F. No. 1966 be withdrawn from the Committee on Local Government and be returned to its author. The motion prevailed.

Mr. Sikorski moved that S. F. No. 424 be withdrawn from the Committee on Local Government and be returned to its author. The motion prevailed.

Mr. Anderson moved that S. F. No. 1653 be withdrawn from the Committee on Energy and Housing and re-referred to the Committee on Commerce. The motion prevailed.

Mr. Laufenburger moved that the report from the Committee on Employment, reported February 23, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Laufenburger moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Laufenburger moved that in accordance with the report from the Committee on Employment, reported February 23, 1978, the Senate, having given its advice, do now consent to and confirm the appointment of:

WORKER'S COMPENSATION COURT OF APPEALS

Robert McCarthy, 2356 Swan Drive, Mendota Heights, Dakota County, effective September 2, 1977, for a term expiring the first Monday in September, 1983.

The motion prevailed. So the appointment was confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that H. F. No. 404 and the Conference Committee Report thereon be taken from the table. The motion prevailed.

CONFERENCE COMMITTEE REPORT ON H. F. NO. 404

A bill for an act relating to political activities; providing for their regulation; defining terms; revising certain filing and reporting requirements; clarifying language; imposing expenditure and contribution limits; revising distribution of moneys from the state elections campaign fund to legislative candidates; removing obsolete provisions; providing penalties; amending Minnesota Statutes 1976, Sections 10A.01, Subdivisions 2, 5, 7, 9, 10, 11, 13, 15, 16 and 18, and by adding subdivisions; 10A.02, Subdivisions 1, 2, 4, 8, 9, 11, 12 and 13, and by adding a subdivision; 10A.04, Subdivision 1; 10A.07; 10A.09, Subdivision 6; 10A.11, Subdivisions 1 and 6; 10A.12, Subdivisions 1, 4 and 5; 10A.13; 10A.14, Subdivisions 1 and 2; 10A.15; 10A.16; 10A.17; 10A.19, Subdivision 1; 10A.20, Subdivisions 3, 4, 5 and 6; 10A.22, Subdivisions 1, 3, 4, 5 and 7; 10A.24; 10A.25; 10A.27; 10A.28; 10A.29; 10A.31, Subdivisions 3a, 5, 6, 7, 10, and by adding a subdivision; 10A.32; 10A.33; and 210A.01, Subdivision 3; and Chapter 10A, by adding sections; repealing Minnesota Statutes 1976, Sections 10A.09, Subdivision 7; 10A.17, Subdivision 2; and 10A.26.

February 23, 1978

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 404, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and H. F. No. 404 be amended as follows:

Delete everything after the enacting clause and insert:

Section 1. Minnesota Statutes 1976, Section 10A.01, Subdivision 2, is amended to read:

Subd. 2. "Administrative action" means an action by any official, board, commission or agency of the executive branch to ~~make rules adopt, amend, or repeal a rule or to adjudicate a contested case pursuant to chapter 15~~. "Administrative action" does not include the application or administration of these rules ~~an adopted rule~~, except in cases of rate setting, power plant and powerline siting and others specified by the commission ~~granting of certificates of need under chapter 116H~~.

Sec. 2. Minnesota Statutes 1976, Section 10A.01, Subdivision 5, is amended to read:

Subd. 5. "Candidate" means an individual who seeks nomination ~~for election or election to any statewide office or legislative office~~; other than a federal office for which candidates are reporting ~~is not required to report under federal laws~~. The term candidate shall also include an individual who seeks nomination ~~for election~~

or election to supreme court and district court judgeships of the state. An individual shall be deemed to seek nomination for election or election if he has taken the action necessary under the law of the state of Minnesota to qualify himself for nomination for election or election to an office, has received contributions or made expenditures in excess of \$100, or has given his *implicit or explicit* consent, ~~implicit or explicit~~, for any other person to receive contributions or make expenditures in excess of \$100 with a view to, *for the purpose of bringing about his nomination for election or election to an office.* *A candidate remains a candidate until his principal campaign committee is dissolved as provided in section 10A.24.*

Sec. 3. Minnesota Statutes 1976, Section 10A.01, Subdivision 7, is amended to read:

Subd. 7. "Contribution" means :

(a) A gift, subscription, loan, advance, the providing of supplies, materials or equipment, or deposit of money or anything else of value made to influence the nomination for election or election of a candidate to office;

(b) a transfer of funds between political committee or political funds; or a donation in kind.

(c) The payment of compensation for the personal services of another person which are rendered to a candidate, political committee or political fund to influence the nomination for election or election of a candidate to office by any person other than that candidate, political committee or political fund.

Contribution includes any loan or advance of credit to a political committee, political fund, or principal campaign committee, which loan or advance of credit is (a) forgiven, or (b) paid by an entity other than the political committee, political fund, or principal campaign committee to which the loan or advance of credit is made. If an advance of credit or a loan is forgiven or paid as provided in this subdivision, it is a contribution in the year in which the loan or advance of credit is made.

A contribution made for the purpose of defeating a candidate is considered made for the purpose of influencing the nomination or election of that candidate or any opponent of that candidate.

"Contribution" does not include services provided without compensation by individuals an individual volunteering their his time on behalf of a candidate, political committee or political fund, or coverage by news media, but only while acting in the ordinary course of business of the publishing or broadcasting of news items, editorials or other editorial comments by the news media.

Sec. 4. Minnesota Statutes 1976, Section 10A.01, is amended by adding a subdivision to read:

Subd. 7a. "Transfer of funds" or "transfer" means money or negotiable instruments given by an individual or association to a

political committee, political fund, or principal campaign committee for the purpose of influencing the nomination or election of a candidate.

Sec. 5. Minnesota Statutes 1976, Section 10A.01, is amended by adding a subdivision to read:

Subd. 7b. "Donation in kind" means anything of value other than money or negotiable instruments given by an individual or association to a political committee, political fund, or principal campaign committee for the purpose of influencing the nomination or election of a candidate. Donation in kind includes an approved expenditure.

Sec. 6. Minnesota Statutes 1976, Section 10A.01, Subdivision 9, is amended to read:

Subd. 9. "Election" means a general, special, primary or special primary, general or special election, or a convention or caucus of a political party held to nominate or endorse a candidate.

Sec. 7. Minnesota Statutes 1976, Section 10A.01, Subdivision 10, is amended to read:

Subd. 10. "Campaign expenditure" or "expenditure" means :

(a) a purchase, payment, distribution, loan, advance, deposit or gift or payment of money or anything of value, or an advance of credit, made or incurred for the purpose of influencing the nomination for election or election of any a candidate to office; or

(b) A transfer of funds between political committees or political funds.

An expenditure is considered to be made in the year in which the goods or services for which it was made are used or consumed.

An expenditure made for the purpose of defeating a candidate is considered made for the purpose of influencing the nomination or election of that candidate or any opponent of that candidate.

Except as provided in clause (a), expenditure includes the dollar value of a donation in kind.

"Expenditure" does not include:

(a) Noncampaign disbursements as defined in section 10 of this act;

(b) Transfers as defined in section 4 of this act;

(c) Services provided without compensation by individuals an individual volunteering their his time on behalf of a candidate, political committee, or political funds; or (b) expenses incurred by a member of the legislature or a person holding constitutional office in the executive branch, in performing services for constituents. The board shall have the power to determine whether the expense was incurred primarily for the purpose of providing a constituent service or is an expenditure within the meaning of this subdivision

(d) *The publishing or broadcasting of news items or editorial comments by the news media.*

Sec. 8. Minnesota Statutes 1976, Section 10A.01, is amended by adding a subdivision to read:

Subd. 10a. "Approved expenditure" means an expenditure made on behalf of a candidate by an entity other than the principal campaign committee of that candidate, which expenditure is made with the authorization or expressed or implied consent of, or in cooperation or in concert with, or at the request or suggestion of that candidate, his principal campaign committee or his agent. An approved expenditure is a contribution to that candidate.

Sec. 9. Minnesota Statutes 1976, Section 10A.01, is amended by adding a subdivision to read:

Subd. 10b. "Independent expenditure" means an expenditure expressly advocating the election or defeat of a clearly identified candidate, which expenditure is made without the express or implied consent, authorization, or cooperation of any candidate, his principal campaign committee or his agent and is not made in concert with or at the request or suggestion of any candidate, his principal campaign committee or his agent. An independent expenditure is not a contribution.

Sec. 10. Minnesota Statutes 1976, Section 10A.01, is amended by adding a subdivision to read:

Subd. 10c. "Noncampaign disbursement" means a purchase or payment of money or anything of value made, or an advance of credit incurred, by a political committee, political fund, or principal campaign committee for any purpose other than to influence the nomination or election of a candidate.

Noncampaign disbursement includes:

- (a) Payment for accounting and legal services;*
- (b) Return of a contribution to the source;*
- (c) Repayment of a loan made to the political committee, political fund, or principal campaign committee by that committee or fund;*
- (d) Return of moneys from the state elections campaign fund;*
- (e) Payment for food and beverages consumed at a fundraising event;*
- (f) Services for a constituent by a member of the legislature or a constitutional officer in the executive branch, performed from the beginning of the term of office to adjournment sine die of the legislature in the election year for the office held; and*
- (g) A donation in kind given to the political committee, political fund, or principal campaign committee for purposes listed in clauses (e) and (f). The board shall determine whether an activity involves a noncampaign disbursement within the meaning of this subdivision.*

Sec. 11. Minnesota Statutes 1976, Section 10A.01, Subdivision 11, is amended to read:

Subd. 11. "Lobbyist" means any individual:

(a) Engaged for pay or other consideration, or authorized by another individual or association to spend money, who spends more than five hours in any month or more than \$250, not including *his own* travel expenses and membership dues, in any year, for the purpose of attempting to influence legislative or administrative action by communicating or urging others to communicate with public officials; or

(b) Who spends more than \$250, not including *his own* traveling expenses and membership dues, in any year for the purpose of attempting to influence legislative or administrative action by communicating or urging others to communicate with public officials.

"Lobbyist" does not include any:

(a) Public official or employee of the state or any of its political subdivisions or public bodies acting in his official capacity;

(b) Party or his representative appearing in a proceeding before a state board, commission or agency of the executive branch unless the board, commission or agency is taking administrative action;

(c) Individual *while engaged* in the course of selling goods or services to be paid for by public funds;

(d) News media or their employees or agents ~~acting while engaged in the ordinary course of business of publishing or broadcasting of news items, editorials or other editorial comments or paid advertisements which directly or indirectly urge official action;~~

(e) Paid expert witness whose testimony is requested ~~either by the body before which he is appearing or one of the parties to a proceeding~~, but only to the extent of preparing or delivering testimony; or

(f) Stockholder of a family farm corporation as defined in section 500.24, subdivision 1, who does not spend over \$250, excluding *his own* travel expenses, in any year in communicating with public officials.

Sec. 12. Minnesota Statutes 1976, Section 10A.01, Subdivision 13, is amended to read:

Subd. 13. "Minor political party" means any party other than a major political party ~~which ran~~:

(a) *Under whose name in the last applicable general election a candidate on the filed for legislative office and received not less than 10 percent of the vote for that office, or filed for statewide or legislative ballot in the last general election office; or*

(b) *Which files a petition with the secretary of state containing the names of 2,000 persons individuals registered to vote in*

Minnesota and declaring that the ~~signators~~ *signers* desire to enable that the party be eligible to receive money from the state elections campaign fund in the same manner as a major political party.

For the purposes of ~~Laws 1974, Chapter 470~~ *prior to the general election in 1974 chapter 10A*, all ~~persons~~ *individuals* who are eligible to vote in areas where there is no permanent system of registration shall be considered registered voters.

Sec. 13. Minnesota Statutes 1976, Section 10A.01, Subdivision 15, is amended to read:

Subd. 15. "Political committee" means any ~~political party, association or person other than an individual~~ *political party, association or person other than an individual* which has as its ~~as defined in subdivision 3~~ *as defined in subdivision 3* whose major purpose is to ~~support or oppose any candidate or to influence the nomination for election or election of a candidate.~~ *support or oppose any candidate or to influence the nomination for election or election of a candidate.*

"Political committee" includes a major political party as defined in subdivision 12, a minor political party as defined in subdivision 13, and any principal campaign committee formed pursuant to section 10A.19.

Sec. 14. Minnesota Statutes 1976, Section 10A.01, Subdivision 16, is amended to read:

Subd. 16. "Political fund" means any accumulation of dues or voluntary ~~donations~~ *contributions* by an association other than a political committee, which accumulation is collected or expended for the purpose of influencing the nomination ~~for election or election~~ *of a candidate.*

Sec. 15. Minnesota Statutes 1976, Section 10A.01, Subdivision 18, is amended to read:

Subd. 18. "Public official" means any:

- (a) Member of the legislature;
- (b) ~~Person holding a Constitutional office~~ *officer* in the executive branch and his chief administrative deputy;
- (c) Member, *chief administrative officer or deputy chief administrative officer* of a state board or commission which has ~~rule making authority, as "rule" is defined in section 15.0411, subdivision 3~~ *at least one of the following powers: (i) the power to adopt, amend or repeal rules, or (ii) the power to adjudicate contested cases or appeals;*
- (d) *Commissioner, deputy commissioner or assistant commissioner of any state department as designated pursuant to section 15.01;*
- (e) *Individual employed in the executive branch who is authorized to adopt, amend or repeal rules or adjudicate contested cases;*
- (f) *Executive secretary of the state board of investment;*
- (g) *Executive director of the Indian affairs intertribal board;*

(h) *Commissioner of the iron range resources and rehabilitation board;*

(i) *Director of mediation services;*

(j) *Deputy of any official listed in clauses (e) to (i);*

(k) *Judge of workers' compensation;*

(l) *Hearing examiner in the state office of hearing examiners or department of economic security;*

(m) *Solicitor general or deputy, assistant or special assistant attorney general;*

~~(d) Person (n) Individual employed by the legislature as secretary of the senate, legislative auditor, chief clerk of the house, revisor of statutes, or researcher or attorney in the office of legislative senate research, senate counsel, or house research; or~~

~~(e) Person employed by the executive branch in any position specified in section 15A.801; and~~

~~(f) (o) Member or chief administrative officer of the metropolitan council, metropolitan transit commission, metropolitan sewer board or waste control commission, metropolitan parks and open spaces commission, metropolitan airports commission or metropolitan sports facilities commission.~~

Sec. 16. Minnesota Statutes 1976, Section 10A.01, is amended by adding a subdivision to read:

Subd. 20. "Advance of credit" means any money owed for goods provided or services rendered. An advance of credit is an expenditure or a noncampaign disbursement in the year in which the goods or services are used or consumed. Advance of credit does not mean loan as defined in section 17 of this act.

Sec. 17. Minnesota Statutes 1976, Section 10A.01, is amended by adding a subdivision to read:

Subd. 21. "Loan" means an advance of money or anything of value made to a political committee, political fund, or principal campaign committee.

Sec. 18. Minnesota Statutes 1976, Section 10A.01, is amended by adding a subdivision to read:

Subd. 22. "Financial institution" means a lending institution chartered by an agency of the federal government or regulated by the commissioner of banks.

Sec. 19. Minnesota Statutes 1976, Section 10A.02, Subdivision 1, is amended to read:

10A.02 [BOARD OF ETHICAL PRACTICES.] Subdivision 1. There is hereby created a state ethical practices board composed of six members. The members shall be appointed by the governor with the advice and consent of three-fifths of both the senate and the house of representatives acting separately. ~~Failure by If~~

either house *fails* to confirm the appointment of a board member within 45 legislative days after his appointment ~~shall be deemed to be a refusal to advise and consent and his~~, the appointment shall terminate ~~immediately after 45 legislative days or non-confirmation, whichever is earlier on the day following the 45th legislative day~~. One member shall be a former state legislator member of the legislature from a major political party different from that of the governor; one member shall be a former state legislator member of the legislature from the same political party as the governor; two members shall be persons who have not been public officials, held *any political party office in a political party* other than precinct delegate, or been elected to public office for which party designation is required by statute in the three years ~~prior to the time preceding the date~~ of their appointment; and the other two members shall not support the same political party. No more than three of the members of the board shall support the same political party.

Sec. 20. Minnesota Statutes 1976, Section 10A.02, Subdivision 2, is amended to read:

Subd. 2. Any appointment to fill a vacancy ~~in an original or subsequent term~~ shall be made only for the unexpired term of a member who is being replaced and *the appointee shall retain* meet the same stated qualifications as the member being replaced. The membership terms, compensation, *and* removal of members on the board shall be as provided in section 15.0575, except that the extension of terms and the filling of vacancies shall be subject to the advice and consent of the legislature in the same manner as provided in subdivision 1.

Sec. 21. Minnesota Statutes 1976, Section 10A.02, Subdivision 4, is amended to read:

Subd. 4. The board shall ~~hold an organizational meeting within 45 days after April 13, 1974 at which time the members of the board shall elect from among their~~ *its* members a chairman, a vice-chairman and a secretary. The secretary shall keep a record of all proceedings and actions by the board. Meetings of the board shall be at the call of the chairman or at the call of any four members of the board acting together.

Sec. 22. Minnesota Statutes 1976, Section 10A.02, Subdivision 8, is amended to read:

Subd. 8. The board shall:

(a) Report at the close of each fiscal year to the legislature, the governor and the public concerning the action it has taken, the names, salaries, and duties of all individuals in its employ and the money it has disbursed. The board shall include and identify in its report any other reports it has made during the fiscal year. It may indicate apparent abuses and offer legislative recommendations;

(b) Prescribe forms for statements and reports required to be filed under sections 10A.01 to 10A.34 and make the forms available to ~~persons~~ *individuals* required to file them;

(c) Make available to the persons *individuals* required to file the reports and statements a manual setting forth the recommended uniform methods of bookkeeping and reporting;

(d) Develop a filing, coding and cross-indexing system consistent with the purposes of sections 10A.01 to 10A.34;

(e) Make the reports and statements filed with it available for public inspection and copying by the end of the second day following the day on which they were received. Any person *individual* may copy a report or statement by hand or by duplicating machine and the board shall provide duplicating services at cost for this purpose. No information copied from reports and statements shall be sold or utilized by any person *individual or association* for any commercial purpose;

(f) Notwithstanding the provisions of section 138.163, preserve reports and statements for a period of five years from the date of receipt;

(g) Compile and maintain a current list and summary of all statements or parts of statements pertaining to each candidate; and

(h) Prepare and publish reports as it may deem appropriate.

Sec. 23. Minnesota Statutes 1976, Section 10A.02, Subdivision 9, is amended to read:

Subd. 9. The executive director of the board or his staff shall inspect all material filed with the board as promptly as is necessary to comply with the provisions of sections 10A.01 to 10A.34. The executive director shall immediately notify the person *individual* required to file a document with the board if a written complaint is filed with the board by any registered voter alleging, or it otherwise appears, that a document filed with the board is inaccurate or does not comply with the provisions of sections 10A.01 to 10A.34, or that a person *the individual* has failed to file a document required by sections 10A.01 to 10A.34.

Sec. 24. Minnesota Statutes 1976, Section 10A.02, Subdivision 11, is amended to read:

Subd. 11. *The board may investigate any alleged violation of chapter 10A. The board shall investigate any violation which is alleged in a written complaint filed with the board and, except for alleged violations of section 10A.25 or 10A.27, shall within 30 days after the filing of the complaint make a public finding of whether or not there is probable cause to believe a violation has occurred. In the case of a written complaint alleging a violation of section 10A.25 or 10A.27, the board shall either enter a conciliation agreement or make a public finding of whether or not there is probable cause, within 60 days of the filing of the complaint. The deadline for action on any written complaint may be extended by majority vote of the board. Within a reasonable time after beginning an investigation of an individual or association, the board shall notify that individual or association of the fact of the investigation. The board shall make no finding of whether or not*

there is probable cause to believe a violation has occurred without notifying the individual or association of the nature of the allegations and affording an opportunity to answer those allegations. Any hearing or action of the board concerning any complaint or investigation other than a finding concerning probable cause or a conciliation agreement shall be confidential and all information obtained by the board shall be privileged. Until the board makes a public finding that the board believes there is or is not concerning probable cause to conclude that a violation of Laws 1974, Chapter 470 has occurred. Any person, including any member or employee of the board, violating the confidentiality or enters a conciliation agreement.

(a) No member, employee or agent of the board shall disclose to any individual any information obtained by that member, employee or agent concerning any complaint or investigation except as required to carry out the investigation or take action in the matter as authorized by chapter 10A;

(b) No individual who files or is the subject of any written complaint or supplies information to the board concerning a complaint or investigation shall disclose to any other individual any information supplied to or received from the board concerning the complaint or investigation; and

(c) Notwithstanding the provisions of clause (b), any individual subject to the provisions of that clause may reveal any information to his attorney or another individual from whom he seeks advice or guidance in the matter, or to any other individual who is subject to the provisions of clause (b) with respect to the same complaint or investigation; provided that any individual to whom information concerning a complaint or investigation is revealed as provided in this clause shall not disclose that information to any other individual. Any individual who discloses information contrary to the provisions of this subdivision shall be guilty of a gross misdemeanor. The board shall make a finding within 30 days of receipt of a written complaint unless a majority of the board agrees to extend the time limit. After determination of its findings Except as provided in section 10A.28, after the board makes a public finding of probable cause the board shall report any that finding of probable cause to the appropriate law enforcement authorities.

Sec. 25. Minnesota Statutes 1976, Section 10A.02, is amended by adding a subdivision to read:

Subd. 11a. If, after making a public finding concerning probable cause or entering a conciliation agreement, the board determines that the record of the investigation contains statements, documents or other matter which if disclosed would unfairly injure the reputation of an innocent individual, the board may:

(a) Retain any such statement, document or other matter as a private record, as "private" is defined in section 15.162, subdivision 5a, for a period of one year after which it shall be destroyed; or

(b) *Return any such statement, document or other matter to the individual who supplied it to the board.*

Sec. 26. Minnesota Statutes 1976, Section 10A.02, Subdivision 12, is amended to read:

Subd. 12. The board may issue and publish advisory opinions on the requirements of sections 10A.01 to 10A.34 based upon real or hypothetical situations. An application for an advisory opinion may be made only by ~~these~~ *an individual or association who wishes to use the opinion to guide their his or its own conduct.* The board shall issue written opinions on all such questions submitted to it within 30 days after receipt of written application, unless a majority of the board agrees to extend the time limit. *An advisory opinion shall lapse the day the regular session of the legislature adjourns in the second year following the date of the opinion.*

Sec. 27. Minnesota Statutes 1976, Section 10A.02, Subdivision 13, is amended to read:

Subd. 13. The provisions of chapter 15 ~~shall apply to the board including the power to prescribe.~~ *The board may promulgate rules and regulations to carry out the purposes of sections 10A.01 to 10A.34.*

Sec. 28. Minnesota Statutes 1976, Section 10A.03, Subdivision 1, is amended to read:

10A.03 [LOBBYIST REGISTRATION.] Subdivision 1. Each lobbyist shall file a registration form with the board within five days after he ~~commences lobbying becomes a lobbyist.~~

Sec. 29. Minnesota Statutes 1976, Section 10A.03, is amended by adding a subdivision to read:

Subd. 3. *The board shall notify by certified mail or personal service any lobbyist who fails to file a registration form within five days after he becomes a lobbyist. If a lobbyist fails to file a form within seven days after receiving this notice, the board may impose a late filing fee at \$5 per day, not to exceed \$100, commencing with the eighth day after receiving notice. The board shall further notify by certified mail or personal service any lobbyist who fails to file a form within 21 days of receiving a first notice that the lobbyist may be subject to a criminal penalty for failure to file the form. A lobbyist who knowingly fails to file a form within seven days after receiving a second notice from the board is guilty of a misdemeanor.*

Sec. 30. Minnesota Statutes 1976, Section 10A.04, Subdivision 1, is amended to read:

10A.04 [LOBBYIST REPORTS.] Subdivision 1. Each lobbyist shall file reports of his activities with the board as long as he lobbies. *A lobbyist may file a termination statement at any time after he ceases lobbying.*

Sec. 31. Minnesota Statutes 1976, Section 10A.04, Subdivision 2, is amended to read:

Subd. 2. Each report shall cover the time from the last day of the period covered by the last report to 15 days prior to the current filing date. The reports shall be filed with the board by the following dates:

(a) February 15

(b) March 15

(c) April 15

(d) June 15

(e) October 15

(a) January 15;

(b) April 15;

(c) July 15; and

(d) October 15.

Sec. 32. Minnesota Statutes 1976, Section 10A.04, Subdivision 5, is amended to read:

Subd. 5. The board shall notify by ~~registered~~ *certified* mail or *personal service* any lobbyist who fails after *five seven* days after a filing date imposed by ~~section 10A.03~~ of this section to file a report or statement required by ~~section 10A.03~~ or this section. *If a lobbyist fails to file a report within seven days after receiving this notice, the board may impose a late filing fee of \$5 per day, not to exceed \$100, commencing with the eighth day after receiving notice. The board shall further notify by certified mail or personal service any lobbyist who fails to file a report within 21 days after receiving a first notice that the lobbyist may be subject to a criminal penalty for failure to file the report.* A lobbyist who knowingly fails to file such a report or statement within seven days after receiving a *second* notice from the board is guilty of a misdemeanor.

Sec. 33. Minnesota Statutes 1976, Section 10A.07, is amended to read:

10A.07 [CONFLICTS OF INTEREST.] Subdivision 1. Any public official who in the discharge of his official duties would be required to take an action or make a decision which would substantially affect his financial interests or those of a business with which he is associated, unless the effect on him is no greater than on other members of his business classification, profession or occupation, shall take the following actions:

(a) He shall prepare a written statement describing the matter requiring action or decision and the nature of his potential conflict of interest;

(b) He shall deliver copies of the statement to the board and to his immediate superior, if any;

(c) If he is a ~~legislator~~ *member of the legislature*, he shall deliver a copy of the statement to the presiding officer of the house in which he serves; and

(d) If a potential conflict of interest presents itself and there is insufficient time to comply with the provisions of clauses (a) to (c), the public official shall verbally inform his superior or the official body *in which he serves*, or committee thereof, *in which he serves* of the potential conflict. He shall file a written statement with the board within one week after the potential conflict presents itself.

Subd. 2. If the public official is not a *legislator member of the legislature*, his superior shall assign the matter, if possible, to another employee who does not have a potential conflict of interest. If he has no immediate superior, the public official shall remove himself, if possible, in a manner prescribed by the board from influence over the action or decision in question. If the public official is a *legislator member of the legislature*, the house of *in which he is a member serves* may, at his request, excuse him from taking part in the action or decision in question.

Sec. 34. Minnesota Statutes 1976, Section 10A.08, is amended to read:

10A.08 [REPRESENTATION DISCLOSURE.] Any public official who represents a client for a fee before any *individual, board or commission which or agency that has rule making authority* in a hearing conducted under chapter 15, shall disclose his participation in the action to the board within 14 days after his appearance. *The board shall notify by certified mail or personal service any public official who fails to disclose his participation within 14 days after his appearance. If the public official fails to disclose his participation within seven days of this notice, the board may impose a late filing fee of \$5 per day, not to exceed \$100, commencing on the eighth day after receiving notice.*

Sec. 35. Minnesota Statutes 1976, Section 10A.09, Subdivision 5, is amended to read:

Subd. 5. A statement of economic interest required by this section shall be on a form prescribed by the board. The individual filing shall provide the following information:

(a) His name, address, occupation and principal place of business;

(b) The name of each business with which he is associated and the nature of that association; and

(c) A listing of all real property within the state, excluding homestead property, in which he *holds*: (i) a fee simple interest, a mortgage, a contract for deed *as buyer or seller*, or an option to buy, whether direct or indirect, and which interest is valued in excess of \$2,500; or (ii) an option to buy, which property has a fair market value of \$50,000 or more; and

(d) A listing of all real property within the state in which a partnership of which he is a member holds: (i) a fee simple interest, a mortgage, a contract for deed *as buyer or seller*, or an option to buy, whether direct or indirect, if his share of the partnership interest is valued in excess of \$2,500 or (ii) an option to buy,

which property has a fair market value of \$50,000 or more. The filing Any listing under clause (c) or (d) shall indicate the street address and the municipality or the section, township, range and approximate acreage, whichever applies, and the county wherein the property is located.

Sec. 36. Minnesota Statutes 1976, Section 10A.09, Subdivision 6, is amended to read:

Subd. 6. Each individual who is required to file a statement of economic interest shall file a supplementary statement on April 15 of each year that he remains in office. The statement shall include a space for each category of information in which the individual may indicate that no change in information has occurred since the previous statement. The supplementary statement shall include the amount of each honorarium in excess of \$50 received since the previous statement, together with the name and address of the source of the honorarium. A statement of economic interest submitted by an officeholder shall be filed with the statement he submitted as a candidate.

Sec. 37. Minnesota Statutes 1976, Section 10A.09, Subdivision 7, is amended to read:

Subd. 7. All public officials in office on April 13, 1974 shall file with the board a statement of economic interest within 60 days after the date the board issues statement of economic interest forms. The board shall notify by certified mail or personal service any individual who fails within the prescribed time to file a statement of economic interest required by section 10A.09. If an individual fails to file a statement within seven days after receiving this notice, the board may impose a late filing fee of \$5 per day, not to exceed \$100, commencing on the eighth day after receiving notice. The board shall further notify by certified mail or personal service any individual who fails to file a statement within 21 days after receiving a first notice that the individual may be subject to a criminal penalty for failure to file a statement. An individual who fails to file a statement within seven days after a second notice is guilty of a misdemeanor.

Sec. 38. Minnesota Statutes 1976, Section 10A.10, is amended to read:

10A.10 [PENALTY FOR FALSE STATEMENTS.] A report or statement required to be filed by sections 10A.02 to 10A.09 shall be signed and certified as true by the person individual required to file the report. Any person individual who signs and certifies to be true a report or statement which he knows contains false information or who knowingly omits required information is guilty of a felony gross misdemeanor.

Sec. 39. Minnesota Statutes 1976, Section 10A.11, Subdivision 1, is amended to read:

10A.11 [ORGANIZATION OF POLITICAL COMMITTEES.] Subdivision 1. Every political committee shall have a chairman and a treasurer. Nothing in Laws 1974, Chapter 478 chapter 10A shall prohibit them from being the same person individual.

Sec. 40. Minnesota Statutes 1976, Section 10A.12, Subdivision 1, is amended to read:

10A.12 [POLITICAL FUNDS.] Subdivision 1. No association *other than a political committee* shall make a transfer of funds more than \$100 in aggregate in any one year to a candidate candidates or political committee committees or make an any approved or independent expenditure which has as its purpose the influencing of the nomination for election or election or defeat of a candidate unless it is a political committee or unless the funds for the contribution transfer or expenditure come is made solely from a political fund.

Sec. 41. Minnesota Statutes 1976, Section 10A.12, Subdivision 4, is amended to read:

Subd. 4. No donations contributions to the political fund shall be accepted and no expenditures or transfers from the political fund shall be made while the office of treasurer of the political fund is vacant.

Sec. 42. Minnesota Statutes 1976, Section 10A.12, Subdivision 5, is amended to read:

Subd. 5. Notwithstanding subdivision 1, any association may, if not prohibited by other law, transfer to deposit in its political fund money derived from that part of its treasury financed by dues or membership fees. Pursuant to section 10A.20, the source of the dues or membership fees must be disclosed if an aggregate amount in excess of \$50 of any member's treasurer of the fund shall disclose the name of any member whose dues, membership fees and voluntary contributions are transferred to deposited in the political fund within together exceed \$50 in any one year.

Sec. 43. Minnesota Statutes 1976, Section 10A.13, is amended to read:

10A.13 [ACCOUNTS WHICH MUST BE KEPT.] Subdivision 1. It shall be the duty of The treasurer of a political committee or political fund to shall keep an account of:

(a) The sum of all contributions except any contribution donation in kind valued at less than \$20 or less, made to or for the political committee or political fund;

(b) The name and address, if any, of any person making each source of a contribution in excess transfer made to the political committee or political fund in excess of \$20, and together with the date and amount thereof of each; and

(c) All expenditures The name and address of each source of a donation in kind valued in excess of \$20, together with the date and amount;

(d) Each expenditure made by or on behalf of the committee or fund, together with the date and amount;

(e) Each approved expenditure made on behalf of the committee or fund, together with the date and amount; and

(f) *The name and address of each political committee or political fund to which transfers in excess of \$20 have been made, together with the date and amount.*

Any person individual who knowingly violates any provision of this subdivision is guilty of a misdemeanor.

Subd. 2. The treasurer shall obtain a receipted bill, stating the particulars, for every expenditure *in excess of \$100 made by, or approved expenditure in excess of \$100 made on behalf of, a political committee or political fund of over \$100*, and for any expenditure *or approved expenditure in a lesser amount if the aggregate amount of lesser expenditures and approved expenditures made to the same person individual or association during a any year exceeds \$100*. The treasurer shall preserve all receipted bills and accounts required to be kept by this section for four years.

Sec. 44. Minnesota Statutes 1976, Section 10A.14, Subdivision 1, is amended to read:

10A.14 [REGISTRATION OF POLITICAL COMMITTEES AND POLITICAL FUNDS.] Subdivision 1. The treasurer of a political committee or political fund shall register with the board by filing a statement of organization no later than 14 days after the date upon which the committee or fund has received contributions or made expenditures in excess of \$100. However, in the first year of Laws 1974, Chapter 478, treasurers shall file within 30 days after the board issues political committee or political fund registration forms.

Sec. 45. Minnesota Statutes 1976, Section 10A.14, Subdivision 2, is amended to read:

Subd. 2. The statement of organization shall include:

(a) The name and address of the political committee or political fund;

(b) The names ~~name~~ and addresses ~~address~~ of the any supporting associations ~~association~~ of a political fund;

(c) The name and address of the chairman, the treasurer, and any deputy treasurers;

(d) A listing of all depositories or safety deposit boxes used; and

(e) A statement as to whether the committee is a principal campaign committee; and

(f) *For political parties only, a list of categories of substate units as defined in section 10A.27, subdivision 4.*

Sec. 46. Minnesota Statutes 1976, Section 10A.14, Subdivision 4, is amended to read:

Subd. 4. The board shall notify by *certified mail or personal service* any person individual who fails to file a statement required by this section. *A person If an individual fails to file a statement within seven days after receiving a notice, the board may impose*

a late filing fee of \$5 per day, not to exceed \$100, commencing with the eighth day after receiving notice. The board shall further notify by certified mail or personal service any individual who fails to file a statement within 21 days after receiving a first notice that such individual may be subject to a criminal penalty for failure to file the report. An individual who knowingly fails to file the statement within seven days after receiving a second notice from the board is guilty of a gross misdemeanor.

Sec. 47. Minnesota Statutes 1976, Section 10A.15, is amended to read:

10A.15 [CONTRIBUTIONS.] Subdivision 1. *Any No anonymous contribution in excess of \$20 shall not be retained by any political committee or political fund, but shall be forwarded to the board and deposited to in the general account of the state elections campaign fund.*

Subd. 2. *Every person individual who receives a contribution in excess of \$20 for a political committee or political fund shall, on demand of the treasurer, and in any event within 14 days after receipt of the contribution, inform the treasurer of the amount, the name and, if known, the address of the person making source of the contribution, together with the amount of the contribution and the date it was received.*

Subd. 3. *All monetary contributions transfers received by or on behalf of any candidate or, political committee or political fund shall within 14 days after the receipt thereof, Sundays and holidays excepted, be deposited in a designated depository in an account designated "Campaign Fund of (name of candidate, committee or fund)". All transfers shall be deposited promptly upon receipt and, except for transfers received during the last three days of any reporting period as described in section 10A.20, shall be deposited during the reporting period in which they were received. Any transfer received during the last three days of a reporting period shall be deposited within 72 hours of receipt and shall be reported as received during the reporting period whether or not deposited within that period. Any deposited transfer may be returned to the contributor within 60 days of deposit. A transfer deposited and not returned within 60 days of that deposit shall be deemed for the purposes of chapter 10A, to be accepted by the candidate, political committee or political fund.*

Subd. 3a. *No treasurer of a principal campaign committee of a candidate shall deposit any transfer which on its face exceeds the limit on contributions to that candidate prescribed by section 10A.27 unless, at the time of deposit, the treasurer issues a check to the source for the amount of the excess.*

Subd. 4. *Any person individual violating the provisions of this section is guilty of a misdemeanor.*

Sec. 48. Minnesota Statutes 1976, Section 10A.16, is amended to read:

10A.16 [EARMARKING.] *Any person individual, political committee or political fund which receives contributions or trans-*

fers of funds a contribution from any person or association source with the express or implied condition, express or implied, that those funds the contribution or any part of them it be directed to a particular candidate shall disclose to the ultimate recipient of such funds, and in the reports required by section 10A.20, the original source of the funds contribution, the fact that the funds were contribution is earmarked and the candidate to whom they are it is directed. The ultimate recipient of any funds contribution so earmarked shall also disclose by report to the board the original source of the funds, and the person individual, political committee, or political fund through which they were it is directed. This section applies only to those contributions required to be disclosed by section 10A.20, subdivision 3, clause (b). Any person or association individual, political committee, or political fund who knowingly accepts any earmarked funds contribution and fails to make the required disclosures disclosure is guilty of a gross misdemeanor.

Sec. 49. Minnesota Statutes 1976, Section 10A.17, is amended to read:

10A.17 [EXPENDITURES.] Subdivision 1. All expenditures No expenditure shall be made by a political committee, political fund, or principal campaign committee unless it is authorized by the treasurer or deputy treasurer of the that committee or fund making that expenditure.

Subd. 2. No person or persons acting in concert other than the candidate and the treasurer of the candidate's principal campaign committee individual or association may make an approved expenditures expenditure of more than \$20 with the authorization or consent, express or implied, of a candidate or his agent, or under the control, direct or indirect, of a candidate or his agent on behalf of a candidate without receiving until he receives written authorization as to the amount that may be spent and the purpose of the expenditure from the treasurer of that candidate's the principal campaign committee (i) prior written authorization and (ii) certification that the expenditures will not exceed the limits on expenditures as set forth in sections 10A.25 and 10A.27. All such expenditures shall be counted against the spending limitations of the candidate who approved the expenditure.

Subd. 3. The treasurer or deputy treasurer of a political committee may make an authorization sign vouchers for petty cash in any reporting period of not more than \$100 per week for statewide elections and or \$20 per week in for legislative elections to be used for miscellaneous expenditures.

Subd. 4. Each authorization shall state the amount and purpose of the expenditure and shall be signed by the treasurer or deputy treasurer of the committee making the expenditure and by the individual making the expenditure.

Subd. 5. Any individual, political committee, or political fund or person who independently solicits or accepts contributions or make makes independent expenditures on behalf of any candidate without the written authorization of the candidate shall publicly disclose its lack of authorization that the candidate has not ap-

proved the expenditure . In All written communications with those from whom it solicits or accepts contributions are independently solicited or accepted or to whom it makes independent expenditures are made on behalf of a candidate , the committee, fund or person shall state in writing and contain a statement in conspicuous type that it the activity is not authorized approved by the candidate and that the candidate is not nor is he responsible for its activities it . A Similar oral statement language shall be included in all oral communications . A similar written statement shall be included , in conspicuous type on the front page of all literature and advertisements published or posted , and a similar oral statement included at the end of all broadcast advertisements by committee, fund or person in connection with made by that individual, political committee or political fund on the candidate's campaign behalf .

Subd. 6. Subd. 5. Any person who knowingly violates the provisions of subdivisions 1, 2, 3 or 5 subdivision 2 or 4, or who falsely claims the lack of authorization that the candidate has not approved the expenditure or activity is guilty of a misdemeanor.

Sec. 50. Minnesota Statutes 1976, Section 10A.19, Subdivision 1, is amended to read:

10A.19 [PRINCIPAL CAMPAIGN COMMITTEE.] Subdivision 1. Every No candidate shall designate and cause accept contributions from any source, other than himself, in aggregate in excess of \$100 or any moneys from the state elections campaign fund unless he designates and causes to be formed a single principal campaign committee which shall be responsible for reporting contributions and authorized expenditures on behalf of the candidate .

Sec. 51. Minnesota Statutes 1976, Section 10A.20, Subdivision 2, is amended to read:

Subd. 2. The reports shall be filed with the board on or before January 31 of each year , and . In each year in which the name of the candidate being supported is on the ballot, *additional reports shall be filed ten days before the a primary or special primary and a general or special election , seven days before a special primary and a special election and 30 days after a special election .*

If a scheduled filing date falls on a Saturday, Sunday or legal holiday, the filing date shall be the next regular business day.

Sec. 52. Minnesota Statutes 1976, Section 10A.20, Subdivision 3, is amended to read:

Subd. 3. Each report under this section shall disclose:

(a) The amount of liquid assets on hand at the beginning of the reporting period;

(b) The name, address and employer, or , *occupation if self-employed, occupation of each person individual , political committee or political fund who within the year has made one or more contributions transfers or donations in kind to or for the political committee or political fund , including the purchase of tickets for*

dinner, luncheon, rallies and similar all fund raising events efforts within the year, which in an aggregate amount or value in excess of exceed \$50 for legislative candidates and in excess of or \$100 for statewide candidates, together with the amount and date of the contributions each transfer or donation in kind, and the aggregate amount of contributions transfers and donations in kind within the year from each contributor source so disclosed. A donation in kind shall be disclosed at its fair market value. An approved expenditure is listed as a donation in kind. A donation in kind is considered consumed in the reporting period in which it is received. The lists names of contributors shall be listed in alphabetical order;

(c) The total sum of individual contributions made to or for the political committee or political fund during the reporting period and not reported under clause (b) ;

(d) Each loan to or from any person made or received by the political committee or political fund within the year in an aggregate amount or value in excess of \$100, continuously reported until repaid or forgiven, together with the name and, address, occupation and the principal place of business, if any, of the lender or and any endorser and the date and amount of the loan. If any loan made to the principal campaign committee of a candidate is forgiven at any time or repaid by any entity other than that principal campaign committee, it shall be reported as a contribution for the year in which the loan was made ;

(e) Each receipt in excess of \$100 not otherwise listed under clauses (b) to (d);

(f) The total sum of all receipts by or for of the political committee or political fund during the reporting period;

(g) The name and address of each person individual or association to whom aggregate expenditures, including approved expenditures, have been made by or on behalf of the political committee or political fund or on its behalf within the year in an aggregate amount in excess of \$100, together with the amount, date and purpose of each expenditure and the name and address of, and office sought by, each candidate on whose behalf the expenditure was made and, in the case of independent expenditures made in opposition to a candidate, the name, address and office sought for each such candidate ;

(h) The sum of individual expenditures not otherwise reported under clause (g);

(i) The total sum of all expenditures made by or on behalf of the political committee or political fund during the reporting period;

(j) (i) The amount and nature of any debt or obligation owed advance of credit incurred by or to the political committee or political fund, continuously reported until extinguished, and any written contract, promise or agreement to make a contribution or expenditure, and paid or forgiven. If any advance of credit incurred by the principal campaign committee of a candidate is

forgiven at any time by the creditor or paid by any entity other than that principal campaign committee, it shall be reported as a donation in kind for the year in which the advance of credit was incurred;

(k) For principal campaign committees only: The name of each person, committee or political fund, which has been authorized by the treasurer to make expenditures on behalf of the candidate and the nature and amount of each authorized expenditure.

(j) The name and address of each political committee, political fund, or principal campaign committee to which aggregate transfers in excess of \$100 have been made within the year, together with the amount and date of each transfer;

(k) The sum of all transfers made by the political committee, political fund, or principal campaign committee during the reporting period;

(l) The sum of noncampaign disbursements made in each category listed in section 10 of this act by the political committee, political fund, or principal campaign committee during the reporting period; and

(m) The sum of all noncampaign disbursements made by the political committee, political fund, or principal campaign committee during the reporting period.

Sec. 53. Minnesota Statutes 1976, Section 10A.20, Subdivision 4, is amended to read:

Subd. 4. ~~The reports~~ A report shall cover the ~~time period~~ from the last day of the ~~period~~ covered by the last ~~previous~~ report to seven days prior to the filing date, ~~except that the report due on January 31 shall cover the period from the last day covered by the previous report to December 31.~~

Sec. 54. Minnesota Statutes 1976, Section 10A.20, Subdivision 5, is amended to read:

Subd. 5. In any statewide election any contribution or contributions from a ~~person or association~~ any one source totaling \$2,000 or more, or in any legislative election any contribution of totaling \$200 or more, received ~~after~~ between the ~~period last day~~ covered in the last report prior to an election and ~~prior to~~ the election shall be reported to the board ~~in person or by telegram~~ within 48 hours after its receipt and ~~also~~ in the next required report.

Sec. 55. Minnesota Statutes 1976, Section 10A.20, Subdivision 6, is amended to read:

Subd. 6. Every person, ~~other than a political committee or political funds,~~ candidate who does not designate and cause to be formed a principal campaign committee, and any individual who makes independent expenditures, ~~other than by contribution to a political committee or political fund,~~ in an aggregate amount

in excess of \$100 ~~within a~~ *in any year*, shall file with the board a ~~statement report~~ *report* containing the information required of a ~~political committee, political fund or candidate by subdivision 3.~~ *Statements Reports* required by this subdivision shall be filed on the dates on which reports by committees and funds are filed.

Sec. 56. Minnesota Statutes 1976, Section 10A.20, is amended by adding a subdivision to read:

Subd. 6a. Any individual, political committee or political fund filing a report or statement disclosing any independent expenditure pursuant to subdivision 3 or 6 shall file with that report a sworn statement that the expenditures so disclosed were not made with the authorization or expressed or implied consent of, or in cooperation or in concert with, or at the request or suggestion of any candidate, his principal campaign committee or his agent.

Sec. 57. Minnesota Statutes 1976, Section 10A.20, Subdivision 8, is amended to read:

Subd. 8. The board shall exempt any association or any of its members of contributors member of or contributor to any association, political committee or political fund or any other individual from the provisions of this section if the member, contributor or other individual demonstrates by clear and convincing evidence that disclosure would expose any or all of them him to economic reprisals, loss of employment or threat of physical coercion.

An association, political committee or political fund may seek an exemption for all of its members or contributors only if it proves demonstrates by clear and convincing evidence that a substantial number of its members or contributors would suffer a restrictive effect on their freedom of association if members were required to seek exemptions individually.

Sec. 58. Minnesota Statutes, 1977 Supplement, Section 10A.20, Subdivision 10, is amended to read:

Subd. 10. A Any individual, association, political committee or a political fund or any of its members or contributors shall have standing to seek seeking an exemption pursuant to subdivision 8 shall submit a written application for exemption to the board. Upon receipt of an application for exemption The board, without hearing, shall grant or deny the exemption within 30 days after receiving an application, and shall issue a written order stating the reasons for its action. The board shall publish its order in the state register and give notice to all persons parties known to the board to have an interest in the application and publish notice of the filing of the application in the state register matter. The board may grant the exemption 30 days after notice of the filing has been fully made. If the board receives a written objection to the application its action from any person party within 20 days after the notice of filing has been fully made publication of its order and notification of interested parties, the exemption board shall be granted or denied only after hold a contested case hearing has been held on the application on the

matter . The board may elect to hold a contested case hearing if no objections to the application are received Upon the filing of a timely objection from the applicant, an order denying an exemption shall be suspended pending the outcome of the contested case . If a no timely objection is not received and the board denies the exemption without hearing the applicant may request, within 30 days of receiving a notice of denial, and shall be granted a contested case hearing on the application shall continue to be in effect until a written objection is filed with the board in a succeeding election year . The board by rule shall establish a procedure so that any individual seeking an exemption may proceed anonymously if he would be exposed to the reprisals listed in subdivision 9 8 were he to reveal his identity for the purposes of the a hearing.

Sec. 59. Minnesota Statutes 1976, Section 10A.20, Subdivision 12, is amended to read:

Subd. 12. The board shall notify by certified mail or personal service any person individual who fails to file a statement required by this section. If an individual fails to file a statement due January 31 within seven days after receiving a notice, the board may impose a late filing fee of \$5 per day, not to exceed \$100, commencing on the eighth day after receiving notice. If an individual fails to file a statement due before any primary or election within three days of the date due, regardless of whether the individual has received any notice, the board may impose a late filing fee of \$50 per day, not to exceed \$500, commencing on the fourth day after the date the statement was due. The board shall further notify by certified mail or personal service any individual who fails to file any statement within 14 days after receiving a first notice from the board that the individual may be subject to a criminal penalty for failure to file a statement. A person An individual who knowingly fails to file the statement within seven days after receiving a second notice from the board is guilty of a misdemeanor.

Sec. 60. Minnesota Statutes 1976, Section 10A.21, Subdivision 1, is amended to read:

10A.21 [REPORTS TO COUNTY AUDITOR.] Subdivision 1. All reports or statements that must be filed with the board by the principal campaign committee of legislative candidates and statements of economic interest filed by candidates for and members of the legislature shall be duplicated and filed by the board with the county auditor of each county in which the legislative district lies within 72 hours of the date the report or statement is required to be filed or, if the report or statement is delinquent, within 72 hours of the time the report is actually filed.

Sec. 61. Minnesota Statutes 1976, Section 10A.21, Subdivision 3, is amended to read:

Subd. 3. Statements and reports filed with county auditor shall be available to the public in the manner prescribed by section 10A.02, subdivision 8, clause (e) and . Statements and reports of principal campaign committees shall be retained until four years after the election to which they pertain. Economic interest state-

ments shall be retained until the subject of the statement is no longer a candidate or officeholder.

Sec. 62. Minnesota Statutes 1976, Section 10A.22, Subdivision 1, is amended to read:

10A.22 [REPORTS AND STATEMENTS.] Subdivision 1. A report or statement required by sections 10A.11 to 10A.34 to be filed by a treasurer of a political committee or political fund, or by any other person *individual*; shall be signed and certified as true by the person *individual* required to file the report. Any person *individual* who signs and certifies to be true a report or statement which he knows contains false information or who knowingly omits required information is guilty of a felony *gross misdemeanor*.

Sec. 63. Minnesota Statutes 1976, Section 10A.22, Subdivision 4, is amended to read:

Subd. 4. In determining the aggregate of a person's contributions. The treasurer shall list contributions from the same ~~donor~~ source under the same name. In each instance When a contribution received from a person *any source* in a reporting period is added to previously reported unitemized contributions from the same contributor source and the aggregate exceeds the disclosure threshold of section 10A.20, the name, address and employer, or occupation if self-employed, ~~occupation of that contributor source~~ shall then be listed on the prescribed reporting forms *schedule*. A candidate may refuse to accept any contribution.

Sec. 64. Minnesota Statutes 1976, Section 10A.22, Subdivision 5, is amended to read:

Subd. 5. A political committee or political fund making an expenditure, other than a transfer of funds, for or on behalf of more than one candidate for state or legislative office shall allocate the expenditure among the candidates on a reasonable cost basis and report ~~this~~ the allocation for each candidate. The treasurer shall retain for audit any documents supporting the allocation.

Sec. 65. Minnesota Statutes 1976, Section 10A.22, Subdivision 7, is amended to read:

Subd. 7. The treasurer of a political committee or political fund shall not accept a contribution of more than \$100 from a political committee or political fund not registered in this state unless the contribution is accompanied by a written statement which meets the disclosure requirements imposed by section 10A.20. This statement shall be certified as true and correct by an officer of the contributing *political committee or political fund*. *The political committee or political fund which accepts the contribution shall include a copy of the statement with the report which discloses the contribution to the board.* The provisions of this subdivision shall not apply when ~~the~~ a national affiliate of any political party in this state transfers money to its state affiliate and that money is expended by the state political party on behalf of candidates of that party generally, without referring

to any of them specifically, in any advertisement published or posted, on any broadcast, or in any telephone conversation if that conversation mentions three or more candidates in this state.

Sec. 66. Minnesota Statutes 1976, Section 10A.24, is amended to read:

10A.24 [DISSOLUTION OR TERMINATION.] No political committee or political fund shall dissolve until it has settled all of its debts and disposed of all its assets in excess of \$100 and filed a termination report. The termination report may be made at any time and shall include all information required in periodic reports and a statement as to the disposition of any residual funds.

Sec. 67. Minnesota Statutes 1976, Section 10A.25, Subdivision 1, is amended to read:

10A.25 [LIMITS ON CAMPAIGN EXPENDITURES.] Subdivision 1. For the purposes of sections 10A.11 to 10A.34 a candidate for governor and a candidate for lieutenant governor, running together, shall be deemed to be a single candidate and. Except as provided in subdivision 3, all expenditures made by or and all approved expenditures made on behalf of the candidate for governor and all expenditures made by or on behalf of the candidate for lieutenant governor shall be considered to be expenditures by or and approved expenditures on behalf of the candidate for governor.

Sec. 68. Minnesota Statutes 1976, Section 10A.25, Subdivision 2, is amended to read:

Subd. 2. In a year in which an election is held for an office sought by a candidate stands for election, no expenditures shall be made and no obligations to make by the principal campaign committee of that candidate, nor any approved expenditures shall be incurred by made on behalf of a that candidate or by a political committee, political fund or individual which makes expenditures with the authorization, express or implied, and under the control, direct or indirect, of the candidate or his agents which expenditures and approved expenditures results result in the an aggregate expenditure on behalf of the candidate of an amount in excess of the following amounts:

(a) For governor and lieutenant governor, running jointly together, 12½ cents per capita or \$600,000, whichever is greater;

(b) For attorney general, 2½ cents per capita or \$100,000, whichever is greater;

(c) For secretary of state, state treasurer and state auditor, separately, 1¼ cents per capita or \$50,000, whichever is greater;

(d) For state senator, 20 cents per capita or \$15,000, whichever is greater;

(e) For state representative, 20 cents per capita or \$7,500, whichever is greater.

Sec. 69. Minnesota Statutes 1976, Section 10A.25, Subdivision 3, is amended to read:

Subd. 3. Notwithstanding subdivision 2, clause (a), a candidate for the endorsement for the office of lieutenant governor at the convention of a political party may spend *make expenditures and approved expenditures* of \$30,000 or five percent of the amount in subdivision 2, clause (a), *whichever is greater*, to seek endorsement. This amount shall be in addition to the amount which may be expended pursuant to subdivision 2, clause (a).

Sec. 70. Minnesota Statutes 1976, Section 10A.25, Subdivision 4, is amended to read:

Subd. 4. ~~Notwithstanding subdivision 2 with respect to the 1974 general election, expenses incurred prior to April 13, 1974 shall not be counted against the spending limitations imposed by subdivision 2. The limits prescribed in section 10A.25 shall not apply to any expenditure or approved expenditure made or advance of credit incurred before the effective date of this section unless the goods or services for which they were made or incurred are consumed or used after the effective date of this section.~~

Sec. 71. Minnesota Statutes 1976, Section 10A.25, Subdivision 5, is amended to read:

Subd. 5. ~~If Notwithstanding the limits imposed by subdivision 2, the winning candidate in a contested race in a primary election who receives less than twice as many votes as any one of his opponents in that election, he shall have added to the aggregate amount which may be expended by him or on his behalf an amount primary may make aggregate expenditures and approved expenditures equal to one fifth 120 percent of the applicable amount as set forth in subdivision 2 ; or the amount actually expended by him or on his behalf in the primary election, whichever is less .~~

Sec. 72. Minnesota Statutes 1976, Section 10A.25, Subdivision 6, is amended to read:

Subd. 6. In a *any* year in which *following* an election does not occur year for an the office held or sought, no expenditures shall be made and no obligations to make expenditures shall be incurred by a candidate or officeholder or by a political committee, political fund or individual which makes expenditures with the authorization, express or implied, and under the control, direct or indirect, of the candidate or officeholder or his agents which shall result in the aggregate expenditure amount of expenditures by and approved expenditures on behalf of the a candidate for or officeholder in that year of an amount in excess of holder of that office shall not exceed 20 percent of the amount of the aggregate expenditure permitted limit set by forth in subdivision 2. Expenditures permitted by this subdivision shall be in addition to expenditures permitted by subdivision 2.

Sec. 73. Minnesota Statutes 1976, Section 10A.25, Subdivision 7, is amended to read:

Subd. 7. On or before ~~January 15~~ *December 1* of each year, the state demographer shall certify to the board the estimated population of the state of Minnesota for the last year ending before the date of certification. In determining the per capita amounts for each office in subdivision 2, the board shall use next calendar year. On or before *December 31* of each year the board shall determine and publish in the state register the expenditure limits for each office for the next calendar year as prescribed by subdivision 2, using the following estimated population figures :

(a) In the case of the elections For *the offices of governor and lieutenant governor, attorney general, secretary of state, state treasurer and state auditor*, the total estimated population of the state;

(b) In the case of the elections For *the office of state senator*, 1/67 of the total estimated population of the state;

(c) In the case of elections For *the office of state representative*, 1/134 of the total estimated population of the state. *The limits shall be rounded off to the nearest \$100.*

Sec. 74. Minnesota Statutes 1976, Section 10A.25, is amended by adding a subdivision to read:

Subd. 10. The expenditure limits imposed by section 10A.25 apply only to candidates who agree to be bound by the limits as a condition of receiving a public subsidy for their campaigns in the form of:

(a) *An allocation of money from the state elections campaign fund; or*

(b) *Credits against the tax due of individuals who contribute to that candidate.*

Sec. 75. Minnesota Statutes 1976, Chapter 10A, is amended by adding a section to read:

[10A.265] [FREEDOM TO ASSOCIATE AND COMMUNICATE.] *Nothing in chapter 10A shall be construed as abridging the right of an association to communicate with its members.*

Sec. 76. Minnesota Statutes 1976, Section 10A.27, Subdivision 1, is amended to read:

10A.27 [ADDITIONAL LIMITATIONS.] Subdivision 1. ~~No political committee, political fund, or individual, except a political party or the principal campaign committee of a candidate shall make expenditures on behalf or in opposition to the opponent of a candidate, or transfer funds to the principal campaign committee of a candidate, in an amount in excess of ten percent of the amount that may be spent by or on behalf of that candidate as set forth in section 10A.25. Except as provided in subdivisions 2 and 6, no candidate shall permit his principal campaign committee to accept contributions from any individual, political committee, or political fund in excess of the following:~~

(a) To candidates for governor and lieutenant governor running together, \$60,000 in an election year for the office sought and \$12,000 in other years;

(b) To a candidate for attorney general, \$10,000 in an election year for the office sought and \$2,000 in other years;

(c) To a candidate for the office of secretary of state, state treasurer or state auditor, \$5,000 in an election year for the office sought and \$1,000 in other years;

(d) To a candidate for state senator, \$1,500 in an election year for the office sought and \$300 in other years; and

(e) To a candidate for state representative, \$750 in an election year for the office sought and \$150 in the other year.

Sec. 77. Minnesota Statutes 1976, Section 10A.27, Subdivision 2, is amended to read:

Subd. 2. No political party candidate shall make expenditures on behalf of a candidate or transfer funds to the principal campaign committee of a candidate in an amount permit his principal campaign committee to accept contributions from any political party in excess of 50 percent of five times the amount that may be spent by or on behalf of contributed to that candidate by a political committee as set forth in section 10A.25 subdivision 1.

Sec. 78. Minnesota Statutes 1976, Section 10A.27, Subdivision 4, is amended to read:

Subd. 4. For the purposes of this section, a political party includes a political party's means the aggregate of the party organization within each house of the legislature and the party organization within congressional districts, counties, legislative districts, municipalities, wards, and precincts, and any legislative body.

Sec. 79. Minnesota Statutes 1976, Section 10A.27, is amended by adding a subdivision to read:

Subd. 5. Nothing in section 10A.27 shall be construed as limiting independent expenditures on behalf of a candidate.

Sec. 80. Minnesota Statutes 1976, Section 10A.27, is amended by adding a subdivision to read:

Subd. 6. Nothing in section 10A.27 shall be construed as limiting the amount which may be contributed by a candidate for the purpose of influencing his own nomination or election.

Sec. 81. Minnesota Statutes 1976, Section 10A.27, is amended by adding a subdivision to read:

Subd. 7. Contributions and approved expenditures made prior to the effective date of this section which are in excess of the limits imposed by section 10A.27 shall not be in violation of this section but shall be disclosed as required by chapter 10A.

Sec. 82. Minnesota Statutes 1976, Section 10A.27, is amended by adding a subdivision to read:

Subd. 8. No candidate shall permit his principal campaign committee to accept a loan from other than a financial institution for an amount in excess of the contribution limits imposed by this section. No candidate shall permit his principal campaign committee to accept any loan from a financial institution for which that financial institution may hold any endorser of that loan liable to pay any amount in excess of the amount that the endorser may contribute to that candidate.

Sec. 83. Minnesota Statutes 1976, Chapter 10A, is amended by adding a section to read:

[10A.275] [MULTI-CANDIDATE POLITICAL PARTY EXPENDITURES.] *Notwithstanding any other provisions of this chapter, the following expenditures by a state political party or a substate unit of a state political party as described in section 10A.27, subdivision 4, shall not be considered contributions to or expenditures on behalf of any candidate for the purposes of section 10A.25 or 10A.27, and shall not be allocated to any candidates pursuant to section 10A.22, subdivision 5:*

(a) Expenditures on behalf of candidates of that party generally without referring to any of them specifically in any advertisement published, posted or broadcast;

(b) Expenditures for the preparation, display, mailing or other distribution of an official party sample ballot listing the names of three or more individuals whose names are to appear on the ballot;

(c) Expenditures for any telephone conversation including the names of three or more individuals whose names are to appear on the ballot; or

(d) Expenditures for any political party fundraising effort on behalf of three or more candidates.

Sec. 84. Minnesota Statutes 1976, Section 10A.28, is amended to read:

10A.28 [PENALTY FOR EXCEEDING LIMITS.] *Any person or association that makes Subdivision 1. A candidate subject to the expenditure limits of section 10A.25 who permits his principal campaign committee to make expenditures or permits approved expenditures to be made on his behalf in excess of the limitations limits imposed by sections section 10A.25 and 10A.27 shall be subject to a civil fine equal to up to four times the amount by which its expenditure the expenditures exceeded the limit.*

Subd. 2. A candidate who permits his principal campaign committee to accept contributions in excess of the limits imposed by section 10A.27 shall be subject to a civil fine of up to four times the amount by which the contribution exceeded the limits.

Subd. 3. If the board or county attorney has finds that there is reason to believe that a person or association has made such

excess expenditures have been made or excess contributions accepted contrary to the provisions of subdivision 1 or 2 the board shall make every effort for a period of not less than 14 days after its finding to correct the matter by informal methods of conference and conciliation and to enter a conciliation agreement with the person involved. A conciliation agreement made pursuant to this subdivision shall be a matter of public record. Unless violated, a conciliation agreement shall be a bar to any civil proceeding under subdivision 4.

Subd. 4. If the board is unable after a reasonable time to correct by informal methods any matter which constitutes probable cause to believe that excess expenditures have been made or excess contributions accepted contrary to subdivision 1 or 2, the board or county attorney shall make a public finding of probable cause in the matter. After making a public finding, the board shall bring an action, or transmit the finding to a county attorney who shall bring an action, in the district court of Ramsey county or, in the case of a legislative candidate, the district court of a county within the legislative district, to impose this penalty a civil fine as prescribed by the board pursuant to subdivision 1 or 2. All moneys recovered pursuant to this section shall be deposited in the general account fund of the state elections campaign fund.

Sec. 85. Minnesota Statutes 1976, Section 10A.29, is amended to read:

10A.29 [CIRCUMVENTION PROHIBITED.] Any attempt by a person an individual or association to circumvent the provisions of Laws 1974, Chapter 470, Sections 11 to 41 chapter 10A by re-directing funds through, or contributing funds on behalf of, another person individual or association is a gross misdemeanor.

Sec. 86. Minnesota Statutes 1976, Section 10A.30, Subdivision 1, is amended to read:

10A.30 [STATE ELECTIONS CAMPAIGN FUND.] Subdivision 1. There is hereby established an account within the general special revenue fund of the state to be known as the "state elections campaign fund".

Sec. 87. Minnesota Statutes 1976, Section 10A.31, Subdivision 1, is amended to read:

10A.31 [DESIGNATION OF INCOME TAX PAYMENTS.] Subdivision 1. Effective with the taxable years beginning after December 31, 1973 1977, every individual whose income tax liability after personal credit for the taxable year is \$1 or more who files a tax return or a renter and homeowner property tax refund return with the commissioner of revenue may designate that \$1 shall be paid from the general fund of the state into the state elections campaign fund. In the case of If a husband and wife file a joint return of husband and wife having an income tax liability of \$2 or more, each spouse may designate that \$1 shall be paid. An individual who is 18 years of age or older, who is a resident of Minnesota, and who is a dependent of another individual who files a tax return or a renter and homeowner

property tax refund return, may designate that \$1 shall be paid from the general fund of the state into the state elections campaign fund. No individual shall be allowed to designate \$1 more than once in any year.

Sec. 88. Minnesota Statutes 1976, Section 10A.31, Subdivision 3, is amended to read:

Subd. 3. The commissioner of the department of revenue shall on the first page of the income tax form and the renter and homeowner property tax refund return notify the taxpayer filing individual and any adult dependent of that individual of his right to allocate \$1 of his taxes (\$2 if filing a joint return) from the general fund of the state to finance the election campaigns of state candidates. The form shall also contain language prepared by the commissioner which permits the taxpayer individual to direct the state to allocate the \$1 (or \$2 if filing a joint return) to: (i) one of the major political parties; (ii) any minor political party as defined in section 10A.01, subdivision 13, which qualifies under the provisions of subdivision 3a; or (iii) all qualifying candidates as provided by subdivision 7. The dependent on the tax return or the renter and homeowner property tax refund return shall sign a statement which authorizes the designation of \$1. The renter and homeowner property tax refund return shall include instructions that the individual filing the return may designate \$1 on the return only if he has not designated \$1 on the income tax return.

Sec. 89. Minnesota Statutes 1976, Section 10A.31, Subdivision 3a, is amended to read:

Subd. 3a. A minor political party as defined in section 10A.01, subdivision 13 qualifies for inclusion on the income tax form as provided in subdivision 3 if a candidate of that party filed for an office in the preceding general election, or if a petition on behalf of that party, provided that if a petition is filed, it is filed as provided in section 10A.01, subdivision 13, by June 1 of the taxable year.

Sec. 90. Minnesota Statutes 1976, Section 10A.31, Subdivision 4, is amended to read:

Subd. 4. All moneys The amounts designated by individual taxpayers individuals for the state elections campaign fund are appropriated from the general fund and shall be credited to the appropriate account in the general state elections campaign fund of the state and shall be annually appropriated for distribution as set forth in subdivisions 5, 6 and 7.

Sec. 91. Minnesota Statutes 1976, Section 10A.31, Subdivision 5, is amended to read:

Subd. 5. In each calendar year the moneys in each party account and the general account shall be allocated to candidates as follows:

(a) 16 21 percent for the offices of governor and lieutenant governor jointly together ;

(b) 0.6 3.6 percent for the office of attorney general;

(c) 4.8 1.8 percent each for the offices of secretary of state, state auditor and state treasurer;

(d) In each calendar year during the period in which state senators serve a four year term, 20 23 $\frac{1}{3}$ percent for the office of state senator and 40 46 $\frac{2}{3}$ percent for the office of state representative;

(e) In each calendar year during the period in which state senators serve a two year term, and in 1975 and 1976, 30 35 percent each for the offices of state senator and state representative;

(f) All candidates of one party for the state senate and state house of representatives whose names are to appear on the ballot in the general election shall share equally in the funds allocated to their respective offices from their party account. To assure that moneys will be returned to the counties from which they were collected, and to assure that the distribution of those moneys rationally relates to the support for particular parties or for particular candidates within legislative districts, moneys from the party accounts for legislative candidates shall be distributed as follows:

Each candidate for the state senate and state house of representatives whose name is to appear on the ballot in the general election shall receive moneys from his party account set aside for candidates of the state senate or state house of representatives, whichever applies, according to the following formula;

For each county within his district the candidate's share of the dollars allocated in that county to his party account and set aside for that office shall be:

(a) *The sum of the votes cast in the last general election in that part of the county in his district for all candidates of his party (i) whose names appeared on the ballot in each voting precinct of the state and (ii) for the state senate and state house of representatives, divided by*

(b) *The sum of the votes cast in that county in the last general election for all candidates of his party (i) whose names appeared on the ballot in each voting precinct in the state and (ii) for the state senate and state house of representatives, multiplied by*

(c) *The amount in his party account allocated in that county and set aside for the candidates for the office for which he is a candidate.*

The sum of all the county shares calculated in the formula above is the candidate's share of his party account.

In a year in which an election for the state senate occurs, with respect to votes for candidates for the state senate only, "last general election" means the last general election in which an election for the state senate occurred.

For any party under whose name no candidate's name appeared on the ballot in each voting precinct in the state in the last general

election, "last general election" means the last general election in which the name of a candidate of that party appeared on the ballot in each voting precinct in the state.

If in a district there was no candidate of a party for the state senate or state house of representatives in the last general election, or if a candidate for the state senate or state house of representatives was unopposed, the vote for that office for that party shall be the average vote of all the remaining candidates of that party in each county of that district whose votes are included in the sums in clauses (a) and (b). The average vote shall be added to the sums in clauses (a) and (b) before the calculation is made for all districts in the county.

Moneys from any party account refused by any candidate not distributed in any election year shall be distributed to all other candidates of that party in proportion to their shares as provided in this subdivision; returned to the general fund of the state. Moneys from the general account refused by any candidate shall be distributed to all other qualifying candidates in proportion to their shares as provided in this subdivision.

Beginning with calendar year 1977 and applying to taxable year 1976, the allocations from the state elections campaign fund shall be: 21 percent for the offices of governor and lieutenant governor filing jointly; 3.6 percent for the office of attorney general; 1.8 percent each for the offices of secretary of state, state auditor, and state treasurer; in each calendar year during the period in which state senators serve a four year term, 23 1/2 percent for the office of state senator and 46 7/8 percent for the office of state representative; and in each calendar year during the period in which state senators serve a two year term, 35 percent each for the offices of state senator and state representative.

Sec. 92. Minnesota Statutes 1976, Section 10A.31, Subdivision 6, is amended to read:

Subd. 6. Within two weeks after certification by the state canvassing board of the results of the primary, the state treasurer shall distribute the available funds in each party account, as certified by the commissioner of revenue on September 15, to the candidates of that party who have signed the agreement as provided in section 10A.32, subdivision 3, and whose names are to appear on the ballot in the general election, according to the allocations set forth in subdivision 5. If there is no candidate of a party for any one office designated in subdivision 5 in any year in which that office appears on the ballot, the allocation for that office shall be distributed to all other candidates of that party in proportion to their shares as set forth in subdivision 5.

Sec. 93. Minnesota Statutes 1976, Section 10A.31, Subdivision 7, is amended to read:

Subd. 7. Within two weeks after certification by the state canvassing board of the results of the general election, the state treasurer shall distribute the available funds in the general ac-

count, as certified by the commissioner of revenue on November 15 and according to allocations set forth in subdivision 5, in equal amounts to all candidates for each statewide office who received at least five percent of the votes cast in the general election for that office, and to all candidates for legislative office who received at least ten percent of the votes cast in the general election for the specific office for which they were candidates. *The board shall not use the information contained in the report of the principal campaign committee of any candidate due ten days before the general election for the purpose of reducing the amount due that candidate from the general account.*

Sec. 94. Minnesota Statutes 1976, Section 10A.31, Subdivision 10, is amended to read:

Subd. 10. In the event that on ~~November 15~~ *the date of either certification by the commissioner of revenue as provided in subdivisions 6 and 7*, less than 98 percent of the tax returns have been processed, the commissioner of revenue shall certify to the board on December 7 the amount accumulated in each account since the previous certification. Within one week thereafter, the board shall certify to the state treasurer the amount to be distributed to each candidate according to the allocations as provided in subdivision 5. As soon as practicable thereafter, the state treasurer shall distribute the amounts to the candidates. Any moneys accumulated after the final certification shall be maintained in the respective accounts for distribution in the next general election year.

Sec. 95. Minnesota Statutes 1976, Section 10A.31, is amended by adding a subdivision to read:

Subd. 11. For the purposes of section 10A.31, a write-in candidate is not a candidate unless he complies with the provisions of section 10A.32, subdivision 3.

Sec. 96. Minnesota Statutes 1976, Section 10A.32, Subdivision 1, is amended to read:

10A.32 [LIMITATIONS UPON THE STATE ELECTION CAMPAIGN FUND.] Subdivision 1. No candidate shall be entitled to receive from the state elections campaign fund and retain an amount greater than the ~~total aggregate~~ *total aggregate* amount of expenditures which may be made by him ~~or~~ *and approved expenditures made on his behalf under sections* ~~section 10A.25 and 10A.27~~ *section 10A.25 and 10A.27*, subdivision 2. The amount by which the allocation exceeds the expenditure limit shall be ~~distributed to all other candidates of the same party whose shares do not exceed their expenditure limits in proportion to their shares as set forth in section 10A.31~~ *returned to the general fund of the state.*

Sec. 97. Minnesota Statutes 1976, Section 10A.32, Subdivision 2, is amended to read:

Subd. 2. No candidate shall be entitled to receive from the ~~state election elections~~ *state election* campaign fund an amount greater than the ~~total aggregate amount actually expended of expenditures made by him~~ *total aggregate amount actually expended of expenditures made by him*

~~or~~ and approved expenditures made on his behalf in the year of the election. If the report required to be filed on or before January 31 in the year following the general election indicates that the amount received by the candidate from the state elections campaign fund is greater than the amount authorized to be expended on his behalf, the treasurer of his principal campaign committee shall refund return to the state treasurer an amount equal to the difference. The refund return in the form of a check or money order shall be submitted with such report and the board shall forward the refund return to the state treasurer for deposit in the general fund of the state.

Sec. 98. Minnesota Statutes 1976, Section 10A.32, Subdivision 3, is amended to read:

Subd. 3. As a condition of receiving any funds moneys from the state elections campaign fund, any a candidate, prior to receipt of the funds, shall agree by stating in writing to the board on or before September 1 that authorized (a) his expenditures on his behalf and approved expenditures shall not exceed the expenditure limits as set forth in section 10A.25 and that his principal campaign committee (b) he shall not accept contributions or allow approved expenditures to be made on his behalf for the period beginning with January 1 of the election year or with the registration of his principal campaign committee, whichever occurs later, and ending December 31 of the election year, which aggregate contributions and approved expenditures exceed 105 percent of the difference between the amount which may legally be expended by him or on his behalf, and the amount which he receives from the state elections campaign fund. The agreement, insofar as it relates to the expenditure limits set forth in section 10A.25, remains effective until the dissolution of the principal campaign committee of the candidate or the opening of filings for the next succeeding election to the office held or sought at the time of agreement, whichever occurs first. Beginning in 1980, money in the account of the principal campaign committee of a candidate on January 1 of the election year for the office held or sought shall be considered contributions accepted by that candidate in that year for the purposes of this subdivision. Notwithstanding the effective date of this section, for 1978, the period for determining the aggregate contribution and approved expenditure limit agreed to pursuant to this subdivision shall begin January 1, 1978. That amount of all contributions accepted by a candidate in an election year which equals the amount of noncampaign disbursements made by that candidate in that year shall not count toward the aggregate contributions and approved expenditure limit imposed by this subdivision. Any amount by which his total aggregate contributions and approved expenditures agreed to under clause (b) exceed 105 percent of the difference shall be refunded returned to the state treasurer. The refund in the form of a check or money order shall be submitted in the same manner as provided in subdivision 2. In no case shall the amount returned exceed the amount received from the state elections campaign fund.

The candidate may submit his signed agreement to the filing

officer on the day he files his affidavit of candidacy or petition to appear on the ballot, or he may submit the agreement to the board no later than September 1.

The board prior to the first day of filing for office shall forward forms for the agreement to all filing officers. The filing officer shall without delay forward signed agreements to the board. An agreement may not be rescinded after September 1.

For the purposes of this subdivision only, the total amount to be distributed to each candidate is calculated to be his share of the total estimated funds in his party account as provided in subdivision 3a, plus the total amount estimated as provided in subdivision 3a to be in the general account of the state elections campaign fund and set aside for that office divided by the number of candidates whose names are to appear on the general election ballot for that office. If for any reason the amount actually received by the candidate is greater by reason of a lesser number of qualifying candidates sharing in the funds in each account than his share of the estimate, and his contributions thereby exceed 105 percent of the difference, the agreement shall not be considered violated.

Sec. 99. Minnesota Statutes 1976, Section 10A.32, Subdivision 3a, is amended to read:

Subd. 3a. The commissioner of revenue shall, on the basis of vote totals provided by the secretary of state, calculate and certify to the board on or before the last first day for filing for office of July in an election year his estimate of the total to be accumulated in each account in the state elections campaign fund, after 100 percent of the tax returns have been processed, of the total amount in the general account, and the amount of moneys each candidate who qualifies as provided in section 10A.31, subdivision 6, may receive from his party account, based upon the formula set forth in section 10A.31, subdivision 3. Prior to the first day of filing for office, the board shall publish and forward to all filing officers these estimates. Within seven days after the last day for filing for office the secretary of state shall certify to the board the name, address, office sought, and party affiliation of each candidate who has filed with that office his affidavit of candidacy or petition to appear on the ballot. The auditor of each county shall certify to the board the same information for each candidate who has filed with that county his affidavit of candidacy or petition to appear on the ballot. Within seven days thereafter the board shall estimate the minimum amount to be received by each candidate who qualifies as provided in section 10A.31, subdivisions 6 and 7, and notify all candidates on or before August 15 of the applicable amount. The board shall include with the notice a form for the agreement provided in subdivision 3.

Sec. 100. Minnesota Statutes 1976, Section 10A.32, is amended by adding a subdivision to read:

Subd. 3b. As a condition of receiving a public subsidy for his election campaign in the form of tax credits against the tax due from individuals who contribute to his principal campaign committee a candidate shall agree by stating in writing to the board

at any time beginning with the registration of his principal campaign committee that his expenditures and approved expenditures shall not exceed the expenditure limits as set forth in section 10A.25. The agreement shall remain effective until the dissolution of the principal campaign committee of the candidate or the opening of filing for the next succeeding election for the office held or sought at the time of agreement, whichever occurs first. An agreement signed under this subdivision may not be rescinded. The commissioner of revenue shall not allow any individual or married couple filing jointly to take a credit against any tax due, pursuant to section 290.06, subdivision 11, for any contribution to a candidate for legislative or statewide office who has not signed the agreement provided in this subdivision. Nothing in this subdivision shall be construed to limit the campaign expenditure of any candidate who does not sign an agreement under this subdivision but accepts a contribution for which the contributor claims a credit against tax due. The board shall forward a copy of any agreement signed under this subdivision to the commissioner of revenue. The board shall make available to any candidate signing an agreement a supply of Official Tax Credit Receipt forms which state in bold face that (a) a contributor who is given a receipt form is eligible to receive a credit against his tax due in an amount equal to 50 percent of his contribution but not more than \$25 for an individual, or not more than \$50 for a married couple filing jointly, and (b) that the candidate to whom he has contributed has voluntarily agreed to abide by campaign expenditure limits. If a candidate does not sign an agreement under this subdivision he may not issue an Official Tax Credit Receipt form, or any facsimile thereof, to any of his contributors. Any candidate who does not voluntarily agree to abide by the expenditure limits imposed in sections 10A.25 and who willfully issues Official Tax Credit Receipt forms, or any facsimile thereof, to any contributor is guilty of a misdemeanor.

Sec. 101. Minnesota Statutes 1976, Section 10A.32, Subdivision 4, is amended to read:

Subd. 4. If a political party for whose candidates funds have been accumulated in the state elections campaign fund does not have a candidate for any office, the moneys set aside for that office shall be maintained in that account until the year of the next general election. If in two successive general election years that political party does not have a candidate for any office, the accumulated funds shall be transferred returned to the general fund of the state.

Sec. 102. Minnesota Statutes 1976, Section 10A.33, is amended to read:

10A.33 [APPLICATION.] The provisions of sections 10A.30 to 10A.32 shall apply only in general elections and primary elections primaries preceding general elections and shall not include apply to special elections, or special primary elections, conventions and caucuses of a political party primaries.

Sec. 103. Minnesota Statutes 1976, Chapter 10A, is amended by adding a section to read:

[10A.335] *For the purpose of determining whether the distribution formula provided in section 10A.31, subdivision 5, (a) assures that moneys will be returned to the counties from which they were collected, and (b) continues to have a rational relation to the support for particular parties or particular candidates within legislative districts, it is the intention of this section that future legislatures monitor, using statistical data provided by the department of revenue, income tax returns and renter and homeowner property tax refund returns on which \$1, or in the case of a joint return, \$2, is designated for a political party.*

Sec. 104. Minnesota Statutes 1976, Section 10A.34, is amended by adding a subdivision to read:

Subd. 1a. The board may bring an action in the district court in Ramsey county to recover any late filing fee imposed pursuant to any provision of chapter 10A. All money recovered shall be deposited in the general fund of the state.

Sec. 105. Minnesota Statutes 1976, Section 210A.01, Subdivision 3, is amended to read:

Subd. 3. "Candidate" means every person any individual for whom it is contemplated or desired that votes may be cast at any primary or election or primary, and who either tacitly or expressly consents to be so considered, except candidates for president and vice president of the United States. In sections 210A.22 to 210.28, 210A.32 and 210A.33, "candidate" does not mean a person an individual for whom it is contemplated or desired that votes may be cast at any primary or election or primary, and who either tacitly or expressly consents to be so considered for governor, state officer, state senator or membership in the house of representatives constitutional office, member of the legislature, justice of the supreme court, or district court judge.

Sec. 106. Minnesota Statutes 1976, Section 290.06, Subdivision 11, is amended to read:

Subd. 11. [CONTRIBUTIONS TO POLITICAL PARTIES AND CANDIDATES.] ~~Effective for taxable years commencing after December 31, 1973,~~ In lieu of the credit against taxable net income provided by section 290.21, subdivision 3, clause (e), a taxpayer may take a credit against the tax due under this chapter of 50 percent but not more than ~~\$12.50~~ \$25 of his contributions to a political party and candidate. A married couple, filing jointly, may take a similar credit of not more than ~~\$25~~ \$50. ~~However, the taxpayer may take a credit for contributions of no more than \$5 in the case of an individual return or \$10 in the case of a joint return for contributions to a political party~~ No credit shall be allowed under this subdivision for a contribution to any candidate, other than a candidate for elective judicial office, who has not signed an agreement to limit his campaign expenditures as provided in section 10A.32, subdivision 3b. The commissioner of revenue shall provide in the tax instruction booklet language understandable to a person of average intelligence which states that the taxpayer may only claim a credit against

his tax due for contributions to candidates for (a) judicial office or (b) statewide or legislative office who have agreed to limit their expenditures. For purposes of this subdivision, "candidate" means a candidate as defined in section 10A.01, subdivision 5. The department of revenue shall provide on the first page of the Minnesota tax form an appropriate provision for the credit provided by ~~Laws 1974, Chapter 470~~ this subdivision.

This credit shall be allowed only if the contribution is verified in the manner the commissioner of revenue shall prescribe.

Sec. 107. Minnesota Statutes 1976, Section 290.21, is amended by adding a subdivision to read:

Subd. 4. No credit shall be allowed under subdivision 3, clause (e), for any contribution to a candidate as defined in section 10A.01, except a candidate for elective judicial office.

Sec. 108. [ETHICAL PRACTICES BOARD; TEMPORARY RULEMAKING.] *The ethical practices board may exercise temporary rulemaking authority as provided in section 15.0412, subdivision 5, to implement the provisions of chapter 10A which are amended by this act. The board shall solicit information and opinions from outside the board as provided in section 15.0412, subdivision 6, before adopting these rules. Notwithstanding the provisions of section 15.0412, subdivision 5, any rules adopted pursuant to this section shall be effective until permanent rules are adopted pursuant to chapter 15 or until October 1, 1979, whichever occurs first. This section expires October 1, 1979.*

Sec. 109. [REPEALER.] *Minnesota Statutes 1976, Sections 10A.09, Subdivision 4; 10A.11, Subdivision 6; 10A.20, Subdivision 9; 10A.22, Subdivision 3; 10A.25, Subdivisions 8 and 9; 10A.26; and 10A.27, Subdivision 3, are repealed.*

Sec. 110. [APPROPRIATION.] *Subdivision 1. The sum of \$20,000 is appropriated from the general fund to the ethical practices board to implement the provisions of this act. This appropriation shall be available for expenditure until June 30, 1979.*

Subd. 2. The sum of \$5,000 is appropriated from the general fund to the commissioner of revenue to implement the provisions of section 10A.32, subdivision 3. This appropriation shall be available for expenditure until June 30, 1979.

Sec. 111. [EFFECTIVE DATE.] *Sections 106 and 107 are effective for taxable years commencing after December 31, 1977. The remaining sections of this act are effective the day following final enactment."*

Further, amend the title by deleting it and inserting:

"A bill for an act relating to elections; revising ethical practices board procedures regarding regulating lobbyist registration and activity, disclosure of economic interest, and campaign finance disclosure; revising certain reporting requirements; imposing limitations on political expenditures and contributions; distributing money from the state elections campaign fund to legislative can-

didates; defining terms; removing obsolete provisions; imposing late filing fees and penalties; increasing credits against tax due for contributions to candidates; providing credits against tax due for contributions to candidates who voluntarily abide by spending limits; appropriating money; amending Minnesota Statutes 1976, Sections 10A.01, Subdivisions 2, 5, 7, 9, 10, 11, 13, 15, 16, 18, and by adding subdivisions; 10A.02, Subdivisions 1, 2, 4, 8, 9, 11, 12, 13, and by adding a subdivision; 10A.03, Subdivision 1, and by adding a subdivision; 10A.04, Subdivisions 1, 2, and 5; 10A.07; 10A.08; 10A.09, Subdivisions 5, 6, and 7; and 10A.10; 10A.11, Subdivision 1; 10A.12, Subdivisions 1, 4 and 5; 10A.13; 10A.14, Subdivisions 1, 2, and 4; 10A.15; 10A.16; 10A.17; 10A.19, Subdivision 1; 10A.20, Subdivisions 2, 3, 4, 5, 6, 8, 12, and by adding a subdivision; 10A.21, Subdivisions 1 and 3; 10A.22, Subdivisions 1, 4, 5, and 7; 10A.24; 10A.25, Subdivisions 1, 2, 3, 4, 5, 6, 7 and by adding a subdivision; 10A.27, Subdivisions 1, 2, 4 and by adding subdivisions; 10A.28; 10A.29; 10A.30, Subdivision 1; 10A.31, Subdivisions 1, 3, 3a, 4, 5, 6, 7, 10, and by adding a subdivision; 10A.32, Subdivisions 1, 2, 3, 3a, 4, and by adding a subdivision; 10A.33; 10A.34, by adding a subdivision; 210A.01, Subdivision 3, 290.06, Subdivision 11; 290.21, by adding a subdivision; and Chapter 10A, by adding sections; and Minnesota Statutes, 1977 Supplement, Section 10A.20, Subdivision 10; repealing Minnesota Statutes 1976, Sections 10A.09, Subdivision 4; 10A.11, Subdivision 6; 10A.20, Subdivision 9; 10A.22, Subdivision 3; 10A.25, Subdivisions 8 and 9; 10A.26; and 10A.27, Subdivision 3."

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

House Conferees: (Signed) Michael George, James Rice, and Donald Samuelson.

Senate Conferees: (Signed) Steve Keefe, David Schaaf and Edward Gearty.

Mr. Keefe, S. moved that the foregoing recommendations and Conference Committee Report on H. F. No. 404 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

H. F. No. 404: A bill for an act relating to elections; revising ethical practices board procedures regarding regulating lobbyist registration and activity, disclosure of economic interest, and campaign finance disclosure; revising certain reporting requirements; imposing limitations on political expenditures and contributions; distributing money from the state elections campaign fund to legislative candidates; defining terms; removing obsolete provisions; imposing late filing fees and penalties; increasing credits against tax due for contributions to candidates; providing credits against tax due for contributions to candidates who voluntarily abide by spending limits; appropriating money; amending Minnesota Statutes 1976, Sections 10A.01, Subdivisions 2, 5, 7, 9, 10, 11, 13, 15, 16, 18, and by adding subdivisions; 10A.02, Subdivisions 1, 2, 4, 8, 9, 11, 12, 13, and by adding a subdivision; 10A.03, Subdivision 1, and by adding a subdivision; 10A.04, Subdivisions 1, 2, and 5;

10A.07; 10A.08; 10A.09, Subdivisions 5, 6, and 7; and 10A.10; 10A.11, Subdivision 1; 10A.12, Subdivisions 1, 4 and 5; 10A.13; 10A.14, Subdivisions 1, 2, and 4; 10A.15; 10A.16; 10A.17; 10A.19, Subdivision 1; 10A.20, Subdivisions 2, 3, 4, 5, 6, 8, 12, and by adding a subdivision; 10A.21, Subdivisions 1 and 3; 10A.22, Subdivisions 1, 4, 5, and 7; 10A.24; 10A.25, Subdivisions 1, 2, 3, 4, 5, 6, 7 and by adding a subdivision; 10A.27, Subdivisions 1, 2, 4 and by adding subdivisions; 10A.28; 10A.29; 10A.30, Subdivision 1; 10A.31, Subdivisions 1, 3, 3a, 4, 5, 6, 7, 10, and by adding a subdivision; 10A.32, Subdivisions 1, 2, 3, 3a, 4, and by adding a subdivision; 10A.33; 10A.34, by adding a subdivision; 210A.01, Subdivision 3, 290.06, Subdivision 11; 290.21, by adding a subdivision; and Chapter 10A, by adding sections; and Minnesota Statutes, 1977 Supplement, Section 10A.20, Subdivision 10; repealing Minnesota Statutes 1976, Sections 10A.09, Subdivision 4; 10A.11, Subdivision 6; 10A.20, Subdivision 9; 10A.22, Subdivision 3; 10A.25, Subdivisions 8 and 9; 10A.26; and 10A.27, Subdivision 3.

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

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

The roll was called, and there were yeas 41 and nays 19, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Luther	Schaaf	Strand
Benedict	Hughes	Merriam	Schmitz	Stumpf
Borden	Humphrey	Moe	Schrom	Vega
Chenoweth	Johnson	Nelson	Setzepfandt	Wegener
Chmielewski	Keefe, S.	Nichols	Sikorski	Willet
Coleman	Kleinbaum	Olhoft	Solon	
Davies	Knoll	Olson	Spear	
Gearty	Laufenburger	Peterson	Staples	
Gunderson	Lessard	Purfeerst	Stokowski	

Those who voted in the negative were:

Ashbach	Dieterich	Jensen	Ogdahl	Sillers
Bang	Dunn	Keefe, J.	Penny	Ueland, A.
Bernhagen	Engler	Kirchner	Pillsbury	Ulland, J.
Brataas	Frederick	Knaak	Sieloff	

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

Without objection, the Senate reverted to the Order of Business of Introduction and First Reading of Senate Bills.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Lewis; Mrs. Staples; Messrs. Ulland, J. and Ogdahl introduced—

S. F. No. 2344: A bill for an act relating to medical assistance; modifying definition of medical care to provide payment of costs for abortions; appropriating money; amending Minnesota Statutes 1976, Section 256B.02, Subdivision 8.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Schaaf, Stokowski and Merriam introduced—

S. F. No. 2345: A bill for an act relating to counties; concerning Anoka county; providing for a seven member board of commissioners; amending Minnesota Statutes 1976, Section 375.01.

Referred to the Committee on Local Government.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Nichols moved that S. F. No. 2018 be withdrawn from the Committee on Local Government and re-referred to the Committee on Agriculture and Natural Resources. The motion prevailed.

MEMBERS EXCUSED

Messrs. Knutson and McCutcheon were excused from the Session of today.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 11:00 o'clock a.m., Wednesday, March 1, 1978. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

EIGHTIETH DAY

St. Paul, Minnesota, Wednesday, March 1, 1978

The Senate met at 11:00 o'clock a.m. and was called to order by the President.

CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate. The following Senators answered to their names:

Anderson	Dunn	Laufenburger	Pillsbury	Stumpf
Ashbach	Engler	Lewis	Schrom	Vega
Benedict	Gearty	Luther	Setzepfandt	Wegener
Borden	Jensen	Menning	Sillers	Willet
Brataas	Johnson	Merriam	Spear	
Chmielewski	Keefe, S.	Ogdahl	Staples	
Coleman	Kirchner	Penny	Stokowski	
Davies	Knoll	Peterson	Strand	

The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Curtis A. Herron.

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

Anderson	Dunn	Knoll	Olhoft	Spear
Ashbach	Engler	Knutson	Olson	Staples
Bang	Gearty	Laufenburger	Penny	Stokowski
Benedict	Gunderson	Lessard	Peterson	Strand
Bernhagen	Hanson	Lewis	Pillsbury	Stumpf
Borden	Hughes	Luther	Renneke	Ueland, A.
Brataas	Jensen	Menning	Schrom	Ulland, J.
Chenoweth	Johnson	Merriam	Setzepfandt	Vega
Chmielewski	Keefe, J.	Moe	Sieloff	Wegener
Coleman	Keefe, S.	Nelson	Sikorski	Willet
Davies	Kirchner	Nichols	Sillers	
Dieterich	Knaak	Ogdahl	Solon	

The President declared a quorum present.

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

MEMBERS EXCUSED

Messrs. Frederick, Humphrey, Kleinbaum, McCutcheon, Perpich, Purfeerst, Schaaf, Schmitz and Tennesen were excused from the Session of today.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received and referred to the committees indicated:

February 24, 1978

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

The following appointment to the Minnesota Pollution Control Agency is hereby respectfully submitted to the Senate for confirmation as required by law:

Art Engelbrecht, RFD #4, Alexandria, Douglas County, has been appointed by me, effective January 2, 1978, for a term expiring the first Monday in January, 1982.

Referred to the Committee on Agriculture and Natural Resources.

February 24, 1978

The following appointments to the Ethical Practices Board are hereby respectfully submitted to the Senate for confirmation as required by law:

Vernon Jensen, 2485 Linden Lane, Maplewood, Ramsey County, has been appointed by me, effective January 30, 1978, for a term expiring the first Monday in January, 1982.

Richard Temple, Route 5, Box 92, Alexandria, Douglas County, has been appointed by me, effective January 30, 1978, for a term expiring the first Monday in January, 1979.

Patrick Flanders, R.R. 3, Paynesville, Stearns County, has been appointed by me, effective January 30, 1978, for a term expiring January 1, 1981.

Referred to the Committee on Elections.

January 9, 1978

The following appointment to the Minnesota Pollution Control Agency is hereby respectfully submitted to the Senate for confirmation as required by law:

Steve Gadler, 2120 Carter Avenue, St. Paul, Ramsey County, has been appointed by me, effective January 2, 1978, for a term expiring the first Monday in January, 1982.

Referred to the Committee on Agriculture and Natural Resources.

February 28, 1978

The following appointment to the State Soil and Water Conservation Board is hereby respectfully submitted to the Senate for confirmation as required by law:

Clarence Ettesvold, Route 1, Morris, Stevens County, has been appointed by me, effective January 1, 1978, for a term expiring the first Monday in January, 1982.

Referred to the Committee on Agriculture and Natural Resources.

Sincerely,
Rudy Perpich, Governor

February 28, 1978

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

I have the honor to inform you that the following enrolled Act of the 1978 Session of the State Legislature has been received from the Office of the Governor and is deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S. F. No.	H. F. No.	Session Laws Chapter No.	Date Approved 1978	Date Filed 1978
	404	463	February 27	February 27

Sincerely,

Joan Anderson Growe
Secretary of State

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Chenoweth, Stumpf, Mrs. Knaak and Mr. Dieterich introduced—

S. F. No. 2346: A bill for an act relating to Ramsey county; creating the office of Ramsey county executive director; specifying qualifications, term of office and duties; amending Laws 1974, Chapter 435, by adding a section.

Referred to the Committee on Local Government.

Mr. Moe introduced—

S. F. No. 2347: A bill for an act relating to real estate; provid-

ing for settlement of boundary disputes involving agricultural land; limiting application of the doctrine of adverse possession; requiring certain surveys; amending Minnesota Statutes 1976, Section 541.02; and Chapter 559, by adding a section.

Referred to the Committee on Judiciary.

Mr. Vega introduced—

S. F. No. 2348: A bill for an act relating to the metropolitan transit area; providing for small business set-aside contracts; requiring reports; amending Minnesota Statutes 1976, Chapter 473, by adding sections.

Referred to the Committee on Employment.

Mr. Vega introduced—

S. F. No. 2349: A bill for an act relating to metropolitan government; regarding local ordinances for the disposal of solid and hazardous waste; amending Minnesota Statutes 1976, Section 473.811, Subdivision 5.

Referred to the Committee on Governmental Operations.

Mr. Johnson introduced—

S. F. No. 2350: A bill for an act relating to St. Louis county; authorizing one off-sale intoxicating liquor license.

Referred to the Committee on Commerce.

Mr. Stokowski introduced—

S. F. No. 2351: A bill for an act relating to trade regulations; requiring air supplies in service stations.

Referred to the Committee on Commerce.

Messrs. Merriam, Anderson, Stokowski and Schaaf introduced—

S. F. No. 2352: A bill for an act relating to judges; authorizing the employment of additional law clerks for the district courts; amending Minnesota Statutes 1976, Section 484.545, Subdivision 1.

Referred to the Committee on Judiciary.

Messrs. Johnson, Solon, Lessard, Willet and Ulland, J. introduced—

S. F. No. 2353: A bill for an act relating to game and fish; authorizing additional conservation officers.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Vega introduced—

S. F. No. 2354: A bill for an act relating to public welfare; providing social services to family units; appropriating money.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Penny introduced—

S. F. No. 2355: A bill for an act relating to unemployment compensation; providing benefits for certain persons reaching mandatory retirement age.

Referred to the Committee on Employment.

Messrs. Penny, Laufenburger and Kirchner introduced—

S. F. No. 2356: A bill for an act relating to plats and surveys; filing requirements for plats abutting highways; amending Minnesota Statutes 1976, Section 505.03, Subdivision 2.

Referred to the Committee on General Legislation and Veterans Affairs.

Mr. Dieterich introduced—

S. F. No. 2357: A bill for an act relating to the arts; providing artists of works of fine art with a right to a percentage amount on a sale of their work although title to the work is not vested in them.

Referred to the Committee on General Legislation and Veterans Affairs.

Mr. Bang introduced—

S. F. No. 2358: A bill for an act relating to conciliation court; providing that unsatisfied judgments may be removed to municipal court for execution; authorizing assessment of punitive damages, costs and attorney's fees against the judgment debtor; amending Minnesota Statutes 1976, Section 491.04, by adding a subdivision.

Referred to the Committee on Judiciary.

Mr. Olhoft introduced—

S. F. No. 2359: A bill for an act relating to local government; municipal industrial development act; requiring public notice of certain meetings authorizing issuance of bonds; amending Minnesota Statutes 1976, Section 474.04.

Referred to the Committee on Local Government.

Messrs. Merriam and Anderson introduced—

S. F. No. 2360: A bill for an act relating to education; restricting

the rights of school districts to enter into certain agreements without approval granted by a majority of the electors voting on the question at a regular or special school election; amending Minnesota Statutes 1976, Section 471.16, Subdivision 1; and Laws 1967, Chapter 33, by adding a section.

Referred to the Committee on Education.

Mr. McCutcheon introduced—

S. F. No. 2361: A bill for an act relating to peace officers; setting forth criteria for the use of deadly force by peace officers; amending Minnesota Statutes 1976, Sections 609.065; 629.33; and Chapter 609, by adding a section.

Referred to the Committee on Judiciary.

Mr. Benedict introduced—

S. F. No. 2362: A bill for an act relating to public safety; regulating amusement rides; requiring state safety inspections of amusement rides; requiring liability insurance covering amusement rides; providing penalties; appropriating money.

Referred to the Committee on General Legislation and Veterans Affairs.

Messrs. Bernhagen, Engler and Renneke introduced—

S. F. No. 2363: A bill for an act relating to taxation; income tax; making the feedlot pollution control equipment credit carry-over provisions retroactive; amending Minnesota Statutes, 1977 Supplement, Section 290.06, Subdivision 9a.

Referred to the Committee on Taxes and Tax Laws.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Tennesen from the Committee on Commerce, to which was referred

S. F. No. 1468: A bill for an act relating to commerce; regulating the repair of motor vehicles, appliances, and dwelling places; regulating service calls, estimates, and repairs; providing penalties.

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

Page 1, line 12, strike "\$35" and insert "\$50"

Page 1, line 16, strike ", but" and insert "and"

Page 1, line 16, after "not" insert "primarily"

Page 2, line 24, strike "charge"

Page 2, strike lines 25 to 31 and insert "towing, minimum, or other service charge for making a call at a place other than the shop. The service charge may be imposed in addition to any charges for making an estimate or performing repairs, and it may be imposed even though no estimate is made or repairs performed. Upon the request of the customer, the shop shall inform the customer before making a service call that a service charge will be imposed and the basis on which the charge will be calculated."

Page 3, line 1, strike "an" and insert "a written"

Page 3, line 3, after the period insert "The shop shall include in the estimate all the parts and materials and labor which in the standard practice of the trade or industry would normally be included in the repairs for which the estimate was requested."

Page 3, line 9, strike "of the" and insert "that there will be a"

Page 3, line 17, strike "has provided" and insert "provides"

Page 3, line 19, after "(a)" insert "If the customer elects within a reasonable time after the estimate has been made,"

Page 3, line 21, after "place" insert "as close as possible"

Page 3, line 23, after "for" insert "making"

Page 3, line 25, after "repairs" insert "or service calls"

Page 3, line 28, after "repairs" insert "; except if a shop after commencing repairs determines that additional work is necessary to accomplish repairs that are the subject of a written estimate and if the shop did not unreasonably fail to disclose the possible need for the additional work when the estimate was made, the shop may charge more than 110 percent of the estimate for the repairs if the shop immediately provides the customer a revised written estimate pursuant to this section and receives authorization to continue with the repairs. If continuation of the repairs is not authorized, the shop shall return the motor vehicle, appliance, or dwelling place as close as possible to its former condition or place it in a mutually agreed upon condition and shall release the item to the customer upon payment of charges for repairs actually performed and not in excess of 110 percent of the original estimate"

Page 3, line 29, strike "subdivision 1" and insert "a written estimate in sections 1 to 11"

Page 4, line 6, strike everything after "8." and insert "If a shop after commencing repairs determines that additional repairs not previously authorized are necessary, the shop may perform the additional repairs if it complies with this section. A"

Page 4, line 13, after the period insert "No shop shall perform repairs it knows or has reason to know are unnecessary to the restoration of a motor vehicle, appliance, or dwelling place unless the customer authorizes the repairs after the shop informs the customer that they are unnecessary."

Page 4, line 19, after "after" insert "the shop has knowledge of"

Page 5, line 4, after "upon" insert "reasonable"

Page 5, line 12, after "exceed" insert "110 percent of charges authorized for repairs by the customer pursuant to section 3, subdivision 6, plus"

Page 5, line 13, strike "price" and insert "prices"

Page 5, line 13, strike "a"

Page 5, line 13, strike "estimate" and insert "estimates"

Page 5, line 13, strike "prior to" and insert "in connection with"

Page 5, line 14, strike "commencement of" and "plus the total prices in any written"

Page 5, line 15, strike everything except the period

Page 5, line 20, strike "or" and insert a comma

Page 5, line 20, after "distributor" insert ", or other person"

Page 5, line 21, after "arrangement" insert ", is required to retain pursuant to law, or is necessary for pending litigation"

Page 5, line 22, after "parts" insert "for a period of five business days after completion of repairs"

Page 5, line 24, strike "two years" and insert "one year"

Page 5, line 27, after "officials" insert "upon reasonable prior notice and during regular business hours"

Page 5, line 27, after the period insert "Upon payment to a shop of any reasonable costs of reproduction,"

Page 6, line 2, strike "\$35" and insert "\$50"

Page 6, line 4, after "percent" insert "without the prior authorization of the customer"

Page 6, strike lines 5 to 9

Page 6, line 21, after "parts" insert "in violation of section 7, subdivision 1"

Page 6, line 31, after "insurer" insert "or service contract company"

Page 6, line 31, strike "the entire" and insert "up to 90 percent of the"

Page 7, line 1, after "agreement" insert "or service contract"

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

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

S. F. No. 1642: A bill for an act relating to agriculture; grain in-

spection; weighing, sampling and analysis; amending Minnesota Statutes 1976, Sections 17B.03, Subdivision 1; 17B.04, Subdivision 1; and 17B.13.

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

Page 2, strike lines 25 to 32

Page 3, strike lines 1 to 3 and insert:

"Subd. 2. The commissioner may hire as official inspection personnel any individual who is licensed to perform functions of official inspection under the United States grain standards act and as personnel to perform supervisory weighing or official weighing functions any individual who, on the date of enactment of the United States grain standards act of 1976, was performing similar functions for the Duluth board of trade. Such persons shall be re-employed and given credit for all previous state service for the purposes of sick and annual leave accrual rates, restoration of any officially recorded unused sick and annual leave accrued in state service and may repay refundments, pursuant to section 352.23, withdrawn from the Minnesota state retirement system, except that the one year waiting period shall be waived. These persons shall be appointed to currently used employment classifications at salaries comparable to other employees with similar lengths of state service.

Sec. 4. [APPROPRIATION.] The sum of \$236,795 is appropriated from the general fund to the department of agriculture for the purposes of this act. The approved complement of agriculture department shall be increased by 12 classified positions.

Sec. 5. This act is effective the day following final enactment."

Amend the title as follows:

Line 2, after "agriculture;" insert "clarifying jurisdiction concerning" and after "inspection" strike the semicolon and insert a comma

Line 3, after the semicolon insert "appropriating money;"

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

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

S. F. No. 2136: A bill for an act relating to unemployment compensation; limiting the coverage of agricultural employers of certain children; amending Minnesota Statutes, 1977 Supplement, Section 268.04, Subdivision 12.

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

Page 8, strike lines 28 to 32

Page 9, strike line 1

Page 10, after line 11, insert:

"(f) For the purposes of this clause (13), services performed by an individual 16 years of age or under shall be excluded from agricultural labor and employment unless the employer is an employer as defined in section 3306 (a) (2) of the federal unemployment tax act."

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

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

S. F. No. 1747: A bill for an act relating to public employment labor relations; making certain matters mandatorily negotiable; allowing employers alternate remedies in grievance proceedings or civil service appeals; amending Minnesota Statutes 1976, Sections 179.63, Subdivision 18 and 179.70, Subdivision 1.

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

Pages 1 and 2, strike section 1

Page 2, line 24, strike "43,"

Page 2, line 24, after "375," insert "387,"

Page 2, line 29, strike "43,"

Page 2, line 29, after "375," insert "387,"

Page 2, line 32, strike "*decision on the employee's grievance or appeal*"

Page 3, strike lines 1 and 2

Page 3, line 3, strike "*Chapters 43, 44, 375, or 419*" and insert "*written grievance or appeal has been properly filed or submitted by the employee or on the employee's behalf with his consent*"

Page 3, line 4, strike "*, and the*"

Page 3, strike lines 5 and 6

Page 3, line 7, strike "*statute*"

Renumber the remaining sections

Amend the title as follows:

Page 1, line 4, strike "employers" and insert "employees"

Page 1, line 6, strike "Sections 179.63," and insert "Section"

Page 1, line 7, strike "Subdivision 18 and"

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

Mr. Tennessen from the Committee on Commerce, to which was referred

S. F. No. 1130: A bill for an act relating to commerce; providing for deposits of public funds in thrift institutions; amending Minnesota Statutes 1976, Sections 118.005; 118.01; 118.09; 118.11; and 118.16; repealing Minnesota Statutes 1976, Section 118.17.

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

Page 1, after line 8, insert:

"Section 1. Minnesota Statutes 1976, Section 51A.21, is amended by adding a subdivision to read:

Subd. 18. To accept and maintain treasury tax and loan accounts of the United States and to pledge collateral to secure the treasury tax or loan accounts, in accordance with the regulations of the Department of Treasury of the United States.

Sec. 2. Minnesota Statutes, 1977 Supplement, Section 52.04, Subdivision 1, is amended to read:

52.04 [POWERS.] Subdivision 1. A credit union shall have the following powers:

(1) To receive the savings of its members either as payment on shares or as deposits, including the right to conduct Christmas clubs, vacation clubs, and other such thrift organizations within its membership;

(2) To make loans to members for provident or productive purposes as provided in section 52.16;

(3) To make loans to a cooperative society or other organization having membership in the credit union;

(4) To deposit in state and national banks and trust companies authorized to receive deposits;

(5) To invest in any investment legal for savings banks or for trust funds in the state;

(6) To borrow money as hereinafter indicated;

(7) To adopt and use a common seal and alter the same at pleasure; and

(8) To make payments on shares of and deposit with any other credit union chartered by this or any other state or operating under the provisions of the federal credit union act, in amounts not exceeding in the aggregate 25 percent of its unimpaired assets providing that payments on shares of and deposit with credit unions chartered by other states shall be restricted to credit unions insured by the National Credit Union Administration. The restrictions imposed by this clause shall not apply to share accounts and deposit accounts of Minnesota central credit union in U.S. central credit union.

(9) To contract with any licensed insurance company or society to insure the lives of members to the extent of their share accounts, in whole or in part, and to pay all or a portion of the premium therefor;

(10) To indemnify each director, officer, or committee member, or former director, officer, or committee member against all expenses, including attorney's fees but excluding amounts paid pursuant to a judgment or settlement agreement, reasonably incurred by him in connection with or arising out of any action, suit, or proceeding to which he is a party by reason of being or having been a director, officer, or committee member of the credit union, except with respect to matters as to which he shall be finally adjudged in such action, suit, or proceeding to be liable for negligence or misconduct in the performance of his duties. Such indemnification shall not be exclusive of any other rights to which he may be entitled under any bylaw, agreement, vote of members, or otherwise; and

(11) Upon written authorization from a member, retained at the credit union, to make payments to third parties by withdrawals from the member's share or deposit accounts or through proceeds of loans made to such member, or by permitting the credit union to make such payments from the member's funds prior to deposit; to permit draft withdrawals from member accounts; however, this clause does not permit a credit union to establish demand deposits (checking accounts) for its members;

(12) To inform its members as to the availability of various group purchasing plans which are related to the promotion of thrift or the borrowing of money for provident and productive purposes by means of informational materials placed in the credit union's office, through its publications, or by direct mailings to members by the credit union;

(13) To facilitate its members' voluntary purchase of types of insurance incidental to promotion of thrift or the borrowing of money for provident and productive purposes including, but not limited to the following types of group or individual insurance: Fire, theft, automobile, life and temporary disability; to be the policy holder of a group insurance plan or a sub-group under a master policy plan and to disseminate information to its members concerning the insurance provided thereunder; to remit premiums to an insurer or the holder of a master policy on behalf of a credit union member, provided that the credit union shall obtain written authorization from such member for remittance by share or deposit withdrawals or through proceeds of loans made by such members, or by permitting the credit union to make such payments from the member's funds prior to deposit; and to accept from the insurer reimbursement for the actual cost of ministerial tasks performed pertaining to insurance;

(14) To contract with another credit union to furnish services which either could otherwise perform. Contracted services under this clause are subject to regulation and examination by the commissioner of banks like other services.

(15) In furtherance of the twofold purpose of promoting thrift among its members and creating a source of credit for them at legitimate rates of interest for provident purposes; and not in limitation of the specific powers hereinbefore conferred, to have all the powers enumerated, authorized, and permitted by this chapter, and such other rights, privileges and powers as may be incidental to, or necessary for, the accomplishment of the objectives and purposes of the credit union; ~~and~~

(16) To rent safe deposit boxes to its members provided the credit union obtains adequate insurance or bonding coverage for losses which might result from the rental of safe deposit boxes ;

(17) *Notwithstanding the provisions of section 52.05, to accept deposits of public funds in an amount secured by insurance or other means pursuant to chapter 118; and*

(18) *To accept and maintain treasury tax and loan accounts of the United States and to pledge collateral to secure the treasury tax or loan accounts, in accordance with the regulations of the Department of Treasury of the United States."*

Page 1, line 16, after "*municipality*" insert "*, as defined in section 118.01,*"

Page 1, line 17, strike "*such*" and insert "*the insured*"

Page 1, line 18, strike "*institution*" and insert "*institutions*"

Page 1, lines 18 and 22, strike "*or*" and insert "*, insured*"

Page 1, line 19, after "*23,*" insert "*or credit unions,*"

Page 1, lines 20 and 21, strike the new language

Page 1, line 22, after "*institution*" insert "*or credit union*"

Page 2, line 2, after "*Corporation*" insert "*or insured by the National Credit Union Administration*"

Page 2, lines 2, 4, 6, 11, 12, and 24, strike "*such*" and insert "*the*"

Page 2, lines 5, 7, and 17, strike "*or*" and insert "*,*"

Page 2, line 5, after "*institution*" insert "*or credit union*"

Page 2, line 7, after "*institution*" insert "*or credit union*"

Page 2, line 17, after "*institution*" insert "*, or credit union*"

Page 2, line 18, strike "*county,*"

Page 2, strike lines 19 to 21

Page 2, line 22, strike everything before the comma and insert "*a municipality*"

Page 2, line 25, before "*funds*" strike "*such*"

Page 3, lines 4, 5, 12, 13, 17, and 21, strike "*such*" and insert "*the*"

Page 4, lines 11 and 30, strike "*such*" and insert "*the*"

Page 4, line 27, strike "*and*" and insert ","

Page 4, line 27, after "*institutions*" insert "*and credit unions*"

Page 5, line 7, strike "*or*" and insert ","

Page 5, line 7, after "*institution*" insert "*or credit union*"

Page 5, line 17, strike "Minnesota Statutes 1967,"

Page 5, line 17, strike "Section" and insert "*sections*"

Page 5, line 18, before the period insert ", 51A.20 or 52.17"

Page 5, line 26, strike "such"

Page 6, lines 9, 15, 16, 25, and 26, strike "such" and insert "*the*"

Page 6, line 21, strike "*or*" and insert ","

Page 6, line 21, after "*institution*" insert ", *or credit union*"

Page 6, line 24, strike "such" in both cases and insert "*the*"

Page 7, lines 3 and 4, after "*institution*" insert "*or credit union*"

Page 7, line 4, strike "such" and insert "*the*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after "*institutions*" insert "*and credit unions*"

Page 1, line 3, after "*amending*" insert "Minnesota Statutes, 1977 Supplement, Section 52.04, Subdivision 1; and"

Page 1, line 4, after "*Sections*" insert "51A.21, by adding a subdivision;"

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

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 1905: A bill for an act providing for positions in the unclassified service of the city of Minneapolis; amending Laws 1969, Chapter 937, Section 1, Subdivision 1, as amended and by adding a subdivision.

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

Amend the title as follows:

Page 1, line 2, before "*providing*" insert "*relating to the city of Minneapolis;*"

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

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 2023: A bill for an act relating to the Minneapolis police department; providing for certain employee appointments; amending Laws 1961, Chapter 108, Section 1, as amended.

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

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

S. F. No. 1759: A bill for an act relating to natural resources; requiring written permission prior to entering land owned by another for purposes of taking wild animals; permitting peace officers to make arrests upon probable cause in certain trespass cases; amending Minnesota Statutes 1976, Section 100.273; repealing Minnesota Statutes 1976, Section 100.29, Subdivisions 21 and 22.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 97.53, Subdivision 1, is amended to read:

97.53 [PUBLICATION OF ORDERS AND LAWS.] Subdivision 1. As soon as practicable after each legislative session, the commissioner, under the direction of the attorney general, shall make a compilation of the laws relating to wild animals, brought up to date and properly indexed. This compilation shall be printed in pamphlet form of pocket size, and 50 copies distributed to each senator, 25 copies to each representative, and ten copies to each county auditor. Not more than 10,000 copies in addition shall be printed for general distribution. The commissioner shall also prepare syllabi of the laws and deliver to county auditors a sufficient supply to furnish one copy to each person procuring a hunting, fishing, or trapping license. *At the beginning of these syllabi, under the heading "Trespass", the commissioner shall summarize the text of Minnesota Statutes, Section 100.273.*

Sec. 2. Minnesota Statutes 1976, Section 100.273, is amended to read:

100.273 [TRESPASS.] Subdivision 1. *For purposes of this section, "agricultural lands" mean lands being used to raise agricultural products or lands enclosing domestic livestock, except lands within 66 feet of designated trout streams.*

Subd. 2. During the seasons for taking small game or big game No person shall enter upon the agricultural lands of another which are being used to raise agricultural products or upon land enclosing domestic stock of any kind for the any recreational purpose of hunting the above mentioned game as defined by section 87.021 unless and until the permission of the owner, occupant, or lessee is obtained. Wooded areas other than tree farms shall in no case be

construed to be agricultural lands within the meaning of this statute.

Subd. 3. No person shall enter upon any land not his own with intent to take any wild animals after being notified not to do so, either orally by the owner, occupant or lessee, or by signs erected pursuant to subdivision 6.

Subd. 2 4. No person while engaged in hunting small game or big game shall enter or leave the lands of another, or pass from one portion of another person's land, through a closed gate without returning the gate to its original position, nor shall any person destroy, cut or tear down any fence, building, grain, crops, or live trees, or wound or kill any domestic livestock.

Subd. 5. No person shall take any wild animal on any private agricultural land not his own or any public right-of-way with a firearm within 500 feet of any building occupied by a human being or by livestock, or within 500 feet of any stockade or corral containing livestock, or within 200 feet of any building occupied by a human being on any land other than agricultural land without the written consent or permission of the owner or occupant of such premises, or within 500 feet of any burning area.

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

Subd. 3 7 . All peace officers shall enforce the provisions of this section.

Subd. 4 8 . Violation of any provision of this section is a misdemeanor. Upon a person's first conviction for violating any provision of section 100.273, any license issued to him pursuant to chapter 98 and any registration pursuant to section 84.82 shall immediately become null and void and he shall forfeit his right to secure any license authorized in chapter 98 and any registration pursuant to section 84.82 for a period of one year from the date of the conviction. If a person is convicted of a second or subsequent offense prohibited by any provision of section 100.273, any license issued to him pursuant to chapter 98 and any registration pursuant to section 84.32 shall immediately become null and void and he shall forfeit his right to secure any license authorized in chapter 98 and any registration pursuant to section 84.32 for a period of three years from the date of the conviction.

Sec. 3. Minnesota Statutes 1976, Section 100.29, Subdivisions 21 and 22, are repealed."

Amend the title as follows:

Strike lines 2 to 9 and insert:

"relating to natural resources; requiring permission prior to entering agricultural lands owned by another person; prohibiting taking wild animals within certain distances of buildings or livestock; revoking the licenses to take wild animals of persons convicted of certain trespass violations; amending Minnesota Statutes 1976, Sections 97.53, Subdivision 1; and 100.273; repealing Minnesota Statutes 1976, Section 100.29, Subdivisions 21 and 22."

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

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

S. F. No. 1952: A bill for an act relating to courts; supreme court; providing for publishing of reports of decisions; amending Minnesota Statutes 1976, Section 480.12.

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

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

H. F. No. 1442: A bill for an act relating to professional corporations; including architects, professional engineers and land surveyors within the definition of professional service for the purposes of formation of professional corporations; amending Minnesota Statutes 1976, Section 319A.02, Subdivision 2.

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

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

S. F. No. 1194: A bill for an act relating to real estate; removing specific charge for copies of instrument filed with registrar; amending Minnesota Statutes 1976, Section 508.38.

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

Page 2, line 13, after the stricken language, insert "*as provided in section 357.18*"

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

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

S. F. No. 1951: A bill for an act relating to marriage; providing that the clerk of county court may solemnize marriages; amending Minnesota Statutes 1976, Section 517.04.

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

Page 1, line 10, strike "county"

Amend the title as follows:

Page 1, line 3, strike "county"

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

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

S. F. No. 1862: A bill for an act relating to courts; permitting personal jurisdiction over non-residents for causes of action relating to tortious acts; revising the provision to accord with federal constitutional requirements; amending Minnesota Statutes 1976, Section 543.19, Subdivision 1.

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

Page 2, line 2, strike "Either"

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

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 2035: A bill for an act relating to the operation of state government; providing for the periodic review and evaluation of executive branch agencies and departments; establishing a pilot program; prescribing goals and procedures; appropriating money.

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

Page 2, line 10, after "within" insert "other"

Page 2, line 26, strike "September 1, 1978" and insert "March 1, 1979"

Page 3, line 1, strike "all"

Page 3, lines 3 to 4, strike "each expenditure" and insert "expenditures"

Page 6, strike lines 8 to 15 and insert "sum of \$25,000 to the general contingent account for the period ending June 30, 1979, for use by the commissioner of finance in preparing the procedures manual and for training agency personnel pursuant to the purposes of this act. The appropriation shall be expended with the approval of the governor after consultation with the legislative advisory commission. The complement of the department of finance is increased by one full-time equivalent position."

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

Mr. Hughes from the Committee on Education, to which was referred

S. F. No. 1641: A bill for an act relating to community colleges; authorizing one additional member for the state board; requiring that one member be a student; amending Minnesota Statutes 1976, Section 136.61, Subdivisions 1 and 1a.

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

Page 1, line 13, reinsert the stricken language and strike the new language

Page 1, line 17, after "a" and before "student" insert "full-time"

Page 1, line 17, after "college" insert "at the time of appointment"

Page 1, line 17, after "or" insert "shall"

Page 1, line 17, strike "graduated" and insert "been a full-time student at"

Page 1, line 18, strike "from"

Page 1, line 18, strike "prior to his" and insert "before"

Page 1, line 19, after "appointment" insert "to the state board for community colleges"

Page 2, line 1, strike "excepting" and insert "except"

Page 2, line 1, strike "length of"

Page 2, line 2, strike "which"

Page 2, line 2, strike "for"

Page 2, after line 2, insert:

"Sec. 3. Minnesota Statutes 1976, Section 136.63, Subdivision 1, is amended to read:

136.63 [LOCAL ADVISORY COMMITTEES.] Subdivision 1. The board shall appoint a local advisory committee for each community college composed of qualified persons ~~with~~ *who have a knowledge of and interest in community colleges residing and who reside in the area served by such the community college. One member of each local advisory committee shall be a full-time student at the community college at the time of appointment or shall have been a full-time student at the community college within one year before appointment to the local advisory committee. The board from time to time shall consult with each local advisory committee on matters of courses of study to be offered at the community college. The number of members and their terms of each advisory committee shall be fixed by the board. Advisory committee members shall serve without compensation and without reimbursement for expenses.*"

Amend the title as follows:

Page 1, line 2, strike "authorizing one"

Page 1, line 3, strike "additional member for the state board;"

Page 1, line 4, after "member" insert "of the state board"

Page 1, line 4, after "student;" insert "requiring that one member of the local advisory committee be a student;"

Page 1, line 5, strike "Section" and insert "Sections"

Page 1, line 6, after "1a" insert "; and 136.63, Subdivision 1"

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

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

S. F. No. 2166: A bill for an act relating to employment agencies; providing an exemption for management consultant firms from employment agency regulation; amending Minnesota Statutes 1976, Section 184.21, Subdivision 2.

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

Page 2, line 10, strike "and it" and insert "nor"

Page 2, line 11, strike "not" and insert "it"

Page 2, line 14, strike "such" and insert "the"

Page 2, line 16, strike "an employer, receiving agreed upon" and insert "employers"

Page 2, strike line 17

Page 2, line 18, strike "assignment is successfully completed,"

Page 2, line 21, strike "compensation" and insert "salary"

Page 2, line 21, strike "such" and insert "the"

Page 2, line 22, strike "\$20,000" and insert "\$25,000"

Page 2, line 22, after "year" strike the comma and insert a semicolon

Page 2, line 23, strike "such"

Page 2, line 23, after "individual" insert "who is identified, appraised or recommended for consideration for an executive or professional position"

Page 2, line 25, strike "such" and insert "the"

Page 2, line 26, strike "such" and insert "the"

Page 2, line 26, strike ", and;" and insert "; and"

Page 2, line 29, after the period insert "In the event any individual who is identified, appraised, or recommended for consideration for an executive or professional position registers a complaint"

with the commissioner in connection with services provided or promised by a search firm, the commissioner shall be authorized to inspect the records of the search firm which relate to the complainant to determine whether any of the above four conditions were not met in relation to the complainant. If it is determined, either by written admission by the search firm or by a finding of fact in a court of law or by a hearing officer pursuant to chapter 15, that any of the four conditions were not met, the search firm shall thereafter be considered an employment agency and subject to the provisions of this chapter."

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S. F. No. 2171: A bill for an act relating to public safety; setting the duty assignments of highway patrol pilots.

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

Strike everything after the enacting clause and insert:

"Section 1. Laws 1977, Chapter 455, Section 51, is amended to read:

Sec. 51. PUBLIC SAFETY

General Operations and Management		44,737,792	45,148,613
Approved Complement			
1978 - 1683	1979 - 1703		
General -	279	279	
Special Revenue -	101	112	
Trunk Highway -	1021	1024	
Highway User -	209	220	
Federal -	73	68	

The above approved complement includes 504 for all unclassified patrol officers and supervisors of the highway patrol. This complement shall not be exceeded during the biennium. Nothing in this provision is intended to limit the authority of the commissioner of public safety to transfer personnel, with the approval of the commissioner of finance, among the various units and divisions within this section provided that the above complement shall be reduced accordingly.

No new highway patrol supervisory positions shall be established, with the exception of special duty assigned ranks for the length of assignment only.

Of this appropriation, \$27,507,457 for the first year and \$28,144,898 for the second year are from the trunk highway fund for traffic safety programs. The commissioner of finance shall transfer on a quarterly basis the appropriation made from the trunk highway fund in this section. \$7,440,828 for the first year and \$7,711,

215 for the second year are from the highway user tax distribution fund for the administration of motor vehicle laws.

Of this appropriation, \$9,757,007 for the first year and \$9,260,000 for the second year are from the general fund.

The amounts that may be expended from this appropriation for each program are as follows:

Administration and Related Services
 \$ 1,384,660 \$ 1,455,065

Investigation, Enforcement and
 Emergency Assistance
 \$27,072,446 \$27,041,572

Of this appropriation, \$720,000 is for the purpose of investigating cross jurisdictional criminal activity. County sheriffs or the chief administrative officer of city police departments may use up to \$250,000 for criminal investigatory activity including purchases of drugs and acquisition of information relating to possession and sale of controlled substances. County sheriffs or the chief administrative officer of city police departments may use up to \$200,000 for criminal investigatory activity, including purchases of contraband and information relating to receiving or selling stolen goods. Application for money shall be made to the commissioner of public safety on forms and pursuant to procedures developed by the superintendent of the bureau of criminal apprehension and shall describe the type of intended criminal investigation and an estimate of the amount of money required. A report shall be made to the commissioner at the conclusion of any investigation for which this money is used stating: (1) the number of persons arrested, (2) the nature of the charges filed against them, (3) the nature and value of controlled substances or contraband purchased or seized, and (4) the amount of this money paid to informants during the investigation. Unused funds shall be returned to the commissioner by the reporting agency. Applications to the commissioner shall be maintained as confidential records. Reports at the conclusion of an investigation are public records. Any unencumbered balance remaining in the first year shall not cancel but is available for the second year of the biennium.

\$50,000 each year is for the bureau of criminal apprehension to provide in-service training for peace officers on a regional basis.

\$23,158 is to reimburse the city of Breckenridge for fire disaster costs and fire related costs over and above normal fire call procedures incurred pursuant to directions from the state fire marshal and otherwise.

\$320,362 in fiscal 1978, and \$371,179 in fiscal 1979 is for the air patrolling of highways.

The commissioner shall develop a plan to transfer ten administrative sergeants and three pilots to patrolling of highways by November 1, 1977 and shall implement the plan by January 1, 1978.

The commissioner shall maintain not more than three helicopters in flight condition.

The commissioner shall continue the air watch traffic patrol at a level of service at least equal to that currently provided, even though this may require some helicopter pilots to perform more than one duty. The commissioner shall provide for the air patrolling of highways as he deems appropriate consistent with budgetary and complement restrictions.

The personnel involved in the support of the weigh scale and spot motor vehicle inspection programs shall be provided by the commissioner of transportation. This appropriation is from the trunk highway fund.

This appropriation provides sufficient money to operate the mobile truck weighing program on a 12 month basis.

Licensing

\$15,943,968	\$16,314,436
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The primary computer development effort of the department shall be to functionally integrate the motor vehicle, driver license, and traffic records information systems of the department. Projects currently planned or underway that would redesign these record systems shall be terminated. To the extent they are consistent with a functionally integrated information system, the objectives of any terminated project shall be incorporated in the objectives of the record integration project.

Ancillary Services

\$ 336,718	\$ 337,540
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Of this appropriation \$32,500 each year is appropriated from the state airports fund for the civil air patrol.

The commissioner of public safety with the approval of the commissioner of finance may transfer unencumbered balances among the above programs. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives."

Amend the title as follows:

Page 1, line 3, after "pilots" insert "; amending Laws 1977, Chapter 455, Section 51"

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

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 2036: A bill for an act relating to the organization and operation of state government; stating a legislative policy regarding executive branch reorganization; creating a council on state government reorganization; requiring a report and recommendations; appropriating money.

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

Page 5, after line 1 insert

“(c) the desirability of maintaining communications with legislative committees having jurisdiction over specific executive branch functions;”

Page 5, line 2, delete “(c)” and insert “(d)”

Page 5, line 4, delete “(d)” and insert “(e)”

Page 5, line 8, delete “(e)” and insert “(f)”

Page 5, line 11, delete “(f)” and insert “(g)”

Page 5, line 20, after the period insert “In preparing its report, the council shall consult with standing committees of the legislature relating to executive branch agencies within the jurisdiction of those committees.”

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

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 1909: A bill for an act relating to the city of Minneapolis; authorizing increased compensation for members of the board of park commissioners; amending Laws 1974, Chapter 181, Section 1.

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

Page 1, line 12, after “of the” insert “*park and recreation*”

Page 1, line 12, after “board” strike “of”

Page 1, line 13, strike “park commissioners”

Page 1, line 15, after “each” insert “*regular and committee*”

Page 1, line 15, after “board” strike the semicolon and insert “*attended,*”

Page 1, line 16, after “board” insert “, and shall not receive payment for more than three meetings per month”

Page 1, line 19, strike “*governing body of the board of park*” and insert “*park and recreation board of*”

Amend the title as follows:

Page 1, line 3, after “the” insert “park and recreation”

Page 1, line 4, strike “park”

Report adopted.

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

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 1901: A bill for an act relating to the city of Minneapolis; modifying the certification procedure for vacancies in the classified service.

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

Page 1, line 14, strike "In the event that this certification"

Page 1, strike lines 15 to 22

Page 2, strike lines 1 to 8, and insert "Where there is a single request from an employing officer or body to fill more than one vacancy from the same list of the eligible register the civil service commission shall certify one additional person for each additional vacancy to be filled."

Page 2, line 14, strike "In the event"

Page 2, strike lines 15 to 31, and insert "Where there is a single request from an employing officer or body to fill more than one vacancy from the same list of the eligible register the civil service commission shall certify one additional person for each additional vacancy to be filled."

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

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 2025: A bill for an act relating to taxation; property tax; eliminating certain limitations on special assessments by municipalities; amending Minnesota Statutes 1976, Section 429.011, Subdivision 2b.

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

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1976, Section 429.011, Subdivision 2, is amended to read:

Subd. 2. "Municipality" means any city of the second, third, or fourth class however organized, or any statutory city or any town containing platted land situated wholly or partly within 25 miles of the city hall of a city of the first class having a population of more than 200,000 inhabitants as defined in section 368.01."

Page 1, reinstate the stricken language in lines 16 to 21

Page 1, line 21, before the period insert "*except when all of the owners of the land which would be benefited by the improvement petition for the improvement, the requirement for approval by the town electors provided in this subdivision shall not apply*"

Page 1, line 22, strike "for" and insert "*the day following its final enactment.*"

Page 2, strikes lines 1 and 2

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, strike "taxation; property tax" and insert "local improvements, special assessments"

Page 1, line 5, strike "Subdivision" and insert "Subdivisions 2 and"

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

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 1916: A bill for an act relating to the city of Zumbrota; authorizing the sale of certain public land.

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

Page 1, line 6, strike "For the purpose of developing a senior"

Page 1, line 7, strike "citizens residential complex,"

Page 1, after line 16, insert:

"Sec. 2. The resolution or ordinance of the city council for the sale of land authorized in section 1 shall not be effective until it has been approved by a majority of the votes cast on the question at a regular or a special election if a petition asking for an election on the question signed by voters equal to five percent of the number of voters at the last regular election is filed with the city within 30 days following the publication of the resolution or ordinance."

Renumber the remaining section

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

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 1660: A bill for an act relating to the county of Anoka; validating the acquisition of and payment for certain real estate.

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

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 2154: A bill for an act relating to counties; concerning

the investment of county funds; amending Minnesota Statutes 1976, Section 385.07.

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

Amend the title as follows:

Page 1, line 2, strike "concerning" and insert "clarifying procedures for"

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

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 1764: A bill for an act relating to public employment; the state civil service; providing for qualifying examination and certification procedures for filling routine service positions; providing on-the-job trial work experiences and noncompetitive appointment procedures for certain severely handicapped persons; amending Minnesota Statutes 1976, Section 43.20, by adding subdivisions.

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

Page 1, strike section 1

Page 1, line 23, strike "2" and insert "1"

Page 2, line 1, strike "8" and insert "7"

Page 2, line 1, strike "*a procedure*" and insert "*test procedures*"

Page 2, line 4, after the period insert "*The procedures need not be adopted as rules but they must be consistent with other applicable laws, rules and duly adopted plans of the state relating to affirmative action.*"

Page 2, line 5, after "*The*" insert "*test*"

Page 2, line 5, strike "*include*" and insert "*consist of*"

Page 2, line 6, strike "*, which*" and insert "*which will be in lieu of a competitive examination and for which the employee*"

Page 2, line 7, strike the comma and insert "*. This work experience shall be*"

Page 2, line 9, strike "*multiple*" and insert "*other*"

Page 2, line 16, strike "*such a*" and insert "*the*"

Amend the title as follows:

Page 1, line 2, strike "public employment;"

Page 1, line 3, strike everything after the semicolon

Page 1, strike line 4

Page 1, line 5, strike "service positions;"

Page 1, line 9, strike "subdivisions" and insert "a subdivision"

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

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

S. F. No. 2048: A bill for an act relating to certain commercial transactions; amending provisions of the uniform commercial code governing investment securities and related provisions; amending Minnesota Statutes 1976, Sections 336.1-201; 336.5-114; 336.8-102; 336.8-103; 336.8-104; 336.8-105; 336.8-106; 336.8-107; 336.8-201; 336.8-202; 336.8-203; 336.8-204; 336.8-205; 336.8-206; 336.8-207; 336.8-208; 336.8-301; 336.8-302; 336.8-303; 336.8-304; 336.8-305; 336.8-306; 336.8-307; 336.8-308; 336.8-309; 336.8-310; 336.8-311; 336.8-312; 336.8-313; 336.8-314; 336.8-315; 336.8-316; 336.8-317; 336.8-318; 336.8-319; 336.8-320; 336.8-401; 336.8-402; 336.8-403; 336.8-404; 336.8-405; 336.8-406; 336.9-103; 336.9-203; 336.9-302; 336.9-304; 336.9-305; 336.9-309; 336.9-312; and Chapter 336, by adding sections; Minnesota Statutes, 1977 Supplement, Section 336.9-105.

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

Page 32, line 12, after "*paragraphs*" insert "*(b) and*"

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

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

S. F. No. 1193: A bill for an act relating to taxation; eliminating duty of county recorder to list judgments affecting real estate titles; eliminating payment to county recorder for making lists; amending Minnesota Statutes 1976, Section 272.17.

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

Page 1, after line 8, insert:

"Section 1. Minnesota Statutes, 1977 Supplement, Section 272.12, is amended to read:

272.12 [CONVEYANCES, TAXES PAID BEFORE RECORDING.] When a deed or other instrument conveying land, or a plat of any town site or addition thereto, or a survey required pursuant to section 508.47, is presented to the county auditor for transfer, he shall ascertain from his records if there be taxes delinquent upon the land described therein, or if it has been sold for taxes. If there are taxes delinquent, he shall certify to the same; and upon payment of such taxes, or in case no taxes are delinquent, he shall transfer the land upon the books of his office, and note upon the

instrument, over his official signature, the words, "no delinquent taxes and transfer entered," or, if the land described has been sold or assigned to an actual purchaser for taxes, the words "paid by sale of land described within;" and, unless such statement is made upon such instrument, the county recorder or the registrar of titles shall refuse to receive or record the same; provided, that sheriff's or referees' certificates of sale on execution or foreclosure of a lien or mortgage, deeds of distribution made by a personal representative in probate proceedings, decrees and judgments, receivers receipts, patents, and copies of town or statutory city plats, in case the original plat filed in the office of the county recorder has been lost or destroyed, and the instruments releasing, removing and discharging reversionary and forfeiture provisions affecting title to land and instruments releasing, removing or discharging easement rights in land or building or other restrictions, may be recorded without such certificate; and, provided that instruments conveying land and, as appurtenant thereto an easement over adjacent tract or tracts of land, may be recorded without such certificate as to the land covered by such easement; and, provided, further, that any instrument granting an easement made in favor of any public utility or pipe line for conveying gas, liquids or solids in suspension, in the nature of a right of way over, along, across or under a tract of land may be recorded without such certificate as to the land covered by such easement.

A deed of distribution made by a personal representative in a probate proceeding, a decree, or a judgment that conveys land shall be presented to the county auditor, who shall transfer the land upon the books of his office and note upon the instrument, over his official signature, the words, "transfer entered", and the instrument may then be recorded. A decree or judgment that affects title to land but does not convey land may be recorded without presentation to the auditor.

A violation of this section by the county recorder or the registrar of titles shall be a gross misdemeanor, and, in addition to the punishment therefor, he shall be liable to the grantee of any instrument so recorded for the amount of any damages sustained.

When, as a condition to permitting the recording of deed or other instrument affecting the title to real estate previously forfeited to the state under the provisions of sections 281.16 to 281.27, county officials, after such real estate has been purchased or repurchased, have required the payment of taxes erroneously assumed to have accrued against such real estate after forfeiture and before the date of purchase or repurchase, the sum required to be so paid shall be refunded to the persons entitled thereto out of moneys in the funds in which the sum so paid was placed. Delinquent taxes are those taxes deemed delinquent under section 279.02."

Page 2, after line 2, insert:

"Sec. 3. [REPEALER.] *Minnesota Statutes 1976, Section 272.18, is repealed.*"

Renumber the sections in sequence

Amend the title as follows:

Line 2, after the semicolon, insert "defining conveyances that must be presented to the auditor before recording;"

Line 5, after "amending" insert "Minnesota Statutes, 1977 Supplement, Section 272.12; and"

Line 6, after "272.17" insert "; repealing Minnesota Statutes 1976, Section 272.18"

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

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

S. F. No. 1885: A bill for an act relating to courts; providing for administration of the tax court; amending Minnesota Statutes, 1977 Supplement, Section 271.02.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes, 1977 Supplement, Section 271.01, is amended by adding a subdivision to read:

Subd. 6. [PENDING CASES.] A case arising under the tax laws of this state, as defined in subdivision 5, which was pending on July 1, 1977 may be transferred to the tax court by the district court in which it was pending.

Sec. 2. Minnesota Statutes, 1977 Supplement, Section 271.02, is amended to read:

271.02 [OFFICERS.] The judges of the tax court of ~~appeals~~ shall choose a chief judge of the tax court of ~~appeals~~. The chief judge of the tax court of ~~appeals~~ shall appoint one of the judges to serve as the administrator, who shall be custodian of the court's files and records, and shall coordinate and make hearing assignments. The administrator may appoint up to two employees who shall be in the unclassified service. The judge who is appointed the administrator may delegate his duties as administrator to the employees whom he has appointed and may select one employee to act in his place as the assistant administrator. The clerk of district court in each county shall be the clerk of the tax court in that county. *Filing fees and library fees deposited with the clerk of district court in his capacity as clerk of the tax court and in cases originally commenced in district court and transferred to the tax court shall be retained by the clerk of district court.* The tax court clerk in each county shall be subject to the supervision of the administrator in tax court matters.

Sec. 3. Minnesota Statutes, 1977 Supplement, Section 271.04, is amended to read:

271.04 [HEARINGS.] The tax court shall hold hearings and meetings as may be prescribed by the rules of the tax court. The principal office of the tax court shall be at the capitol, but it shall hold hearings at any other place within the state, so that taxpayers may appear before the court with as little inconvenience and expense to the taxpayer as is practicable. The tax court shall be allowed to use the district court and county court court room in all of the counties. The administrator of the tax court shall consult with the district and county court judges involved before a schedule of court room to be used by the tax court is established. Each tax court judge may hear and decide cases. Upon petition by a party to a case, or upon a motion by a tax court judge, and approval by a majority of the tax court, a case may be tried before the entire tax court. When an appeal is taken by a resident taxpayer from an order of the commissioner, *not involving property taxes*, venue for the case shall be, at the election of the taxpayer, in Ramsey county or in the district court judicial district in which the taxpayer resides. Venue shall be in Ramsey county for an appeal taken by a non-resident taxpayer from an order of the commissioner. Venue for all other cases arising under the tax laws of the state shall be in the same judicial district as if the case was being tried in district court.

Sec. 4. Minnesota Statutes, 1977 Supplement, Section 271.06, Subdivision 2, is amended to read:

Subd. 2. [TIME; NOTICE; INTERVENTION.] Except as otherwise provided by law, within 60 days after notice of the making and filing of such an order of the commissioner, ~~or upon the final determination of any matter concerning the tax laws listed in section 271.01, subdivision 5 of revenue~~, the appellant, or his attorney, shall serve a notice of appeal upon the commissioner or the appropriate unit of government and file the original, with proof of such service, with the tax court of appeals administrator or with the clerk of district court acting as clerk of the tax court; provided, that a tax court of appeals judge, for cause shown, may by written order extend the time for appealing for an additional period; not exceeding 30 days. ~~In Ramsey county, notice of appeal may be filed with the tax court clerk or with the administrator. The tax court shall prescribe a filing system so that the notice of appeal filed with the tax court clerk is forwarded to the administrator. In any appeal concerning property valuation, for which the state board of equalization or commissioner of revenue has issued an order, the officer issuing the order shall be notified of the filing of an appeal. The notice of appeal shall be in the form prescribed by the tax court. Within five days after receipt, the commissioner shall transmit a copy of the notice of appeal to the attorney general in all cases where the amount at issue exceeds \$100. The attorney general shall represent the commissioner, if requested, upon all such appeals except in cases where the attorney general has appealed in behalf of the state, or in other cases where he deems it against the interests of the state to represent the commissioner, in which event the attorney general may intervene or be substituted as an appellant in behalf of the state at any stage of the proceedings.~~

Upon a final determination of any other matter concerning the tax laws listed in section 271.01, subdivision 5, the taxpayer or his attorney shall file a petition or notice of appeal as provided by law with the clerk of district court, acting in the capacity of clerk of the tax court, with proof of service of the petition or notice of appeal as required by law and within the time required by law. As used in this subdivision, "final determination" includes a notice of assessment and equalization for the year in question received from the local assessor; an order of the local board of equalization, or an order of a county board of equalization.

The tax court shall prescribe a filing system so that the notice of appeal or petition filed with the tax court clerk is forwarded to the tax court administrator. In the case of an appeal or a petition concerning property valuation for which the assessor, a local board of equalization, a county board of equalization or the commissioner of revenue has issued an order, the officer issuing the order shall be notified of the filing of the appeal. The notice of appeal or petition shall be in the form prescribed by the tax court.

Sec. 5. Minnesota Statutes 1976, Section 274.19, Subdivision 4, is amended to read:

Subd. 4. Any person who claims that his class 2a property has been unfairly or unequally assessed, or that such property has been assessed at a valuation greater than its real or actual value, or that the tax levied against the same is illegal, in whole or in part, or has been paid, or that the property is exempt from the tax so levied, may have the validity of his claim, defense or objection determined by the district court of the county in which the tax is levied or by the tax court by filing a petition for such determination, in the office of the clerk of the district court on or before the first day of September of the year in which such tax becomes payable. A petition for determination under this section may be transferred by the district court to the tax court.

Sec. 6. Minnesota Statutes 1976, Section 274.19, Subdivision 5, is amended to read:

Subd. 5. ~~Payment of the tax shall be a condition precedent to the filing of a petition for review by the district court~~ *The right to continue prosecution of the petition shall be conditioned upon the payment of the tax when due unless the court permits the ~~petition to be filed~~ petitioner to continue prosecution of the petition without payment, or with a reduced payment, pursuant to section 277.011, subdivision 3. The petitioner, upon ten days notice to the county attorney and to the county auditor, given at least ten days prior to the last day of August, may apply to the court for permission to file the ~~petition~~ continue prosecution of the petition without such payment or with a reduced payment.*

Sec. 7. Minnesota Statutes, 1977 Supplement, Section 277.011, Subdivision 1, is amended to read:

277.011 [DEFENSE OR OBJECTION TO TAX ON PERSONAL PROPERTY.] Subdivision 1. [SERVICE AND FILING

OF PETITION.] Any person who claims that his personal property has been unfairly or unequally assessed, or that such property has been assessed at a valuation greater than its real or actual value, or that the tax levied against the same is illegal, in whole or in part, or has been paid, or that the property is exempt from the tax so levied, may have the validity of his claim, defense or objection determined by the district court of the county in which the tax is levied or by the tax court by serving two copies of a petition for such determination upon the county auditor and one copy each on the county treasurer and the county attorney and filing the same, with proof of such service, in the office of the clerk of the district court on or before the first day of July of the year in which such tax becomes payable. The county auditor shall immediately forward one copy of the petition to the appropriate governmental authority in a home rule charter or statutory city or town in which the property is located, if that city or town employs its own certified assessor. A petition for determination under this section may be transferred by the district court to the tax court.

Sec. 8. Minnesota Statutes 1976, Section 277.011, Subdivision 3, is amended to read:

Subd. 3. [PAYMENT OF TAX.] ~~Before filing such petition, and as a condition precedent thereto~~ *If the proceedings instituted by the filing of the petition have not been completed before July 1 next following the filing of the petition*, the petitioner shall pay to the county treasurer 50 percent of the tax levied for such the year against the property involved, unless permission to file the petition without such payment is obtained as herein provided; ~~which payment shall be endorsed by the county treasurer on the original petition before the same may be filed~~. The petitioner, upon ten days notice to the county attorney and to the county auditor, given at least ten days prior to the first day of July, may apply to the court for permission to file the petition without such payment; and, if it is made to appear

- (1) That the proposed review is to be taken in good faith;
- (2) That there is probable cause to believe that the property may be held exempt from the tax levied or that the tax may be determined to be less than 50 percent of the amount levied; and
- (3) That it would work a hardship upon petitioner to pay such 50 percent of the tax

The court may permit the ~~petition to be filed~~ *petitioner to continue to prosecute the petition* without such payment, or may fix a lesser amount to be paid as a condition precedent to the right to ~~file~~ *continue to prosecute* the same. Payment of the amount so fixed shall be endorsed on the order by the county treasurer.

Sec. 9. Minnesota Statutes, 1977 Supplement, Section 278.01, is amended to read:

278.01 [DEFENSE OR OBJECTION TO TAX ON LAND;

SERVICE AND FILING.] (a) Any person having any estate, right, title, or interest in or lien upon any parcel of land, who claims that such property has been partially, unfairly, or unequally assessed, or that such parcel has been assessed at a valuation greater than its real or actual value, or that the tax levied against the same is illegal, in whole or in part, or has been paid, or that the property is exempt from the tax so levied, may have the validity of his claim, defense, or objection determined by the district court of the county in which the tax is levied *or by the tax court* by serving two copies of a petition for such determination upon the county auditor and one copy each on the county treasurer and the county attorney and filing the same, with proof of such service, in the office of the clerk of the district court ~~on or~~ before the first day of June of the year in which such tax becomes payable. The county auditor shall immediately forward one copy of the petition to the appropriate governmental authority in a home rule charter or statutory city or town in which the property is located if that city or town employs its own certified assessor. *A petition for determination under this section may be transferred by the district court to the tax court.*

(b) Any person having any estate, right, title or interest in or lien upon any parcel which is classified as homestead under the provisions of section 273.13, subdivisions 6, 6a, 7, 7b, 10 or 12, who claims that said parcel has been assessed at a valuation which exceeds by ten percent or more the valuation which the parcel would have if it were valued at the average assessment/sales ratio for real property in the same class, in that portion of the county in which that parcel is located, for which the commissioner is able to establish and publish a sales ratio study as determined by the applicable real estate assessment/sales ratio study published by the commissioner of revenue, may have the validity of his claim, defense, or objection determined by the district court of the county in which the tax is levied *or by the tax court* by serving two copies of a petition for such determination upon the county auditor and one copy each on the county treasurer and the county attorney and filing the same, with proof of such service, in the office of the clerk of the district court ~~on or~~ before the first day of June of the year in which such tax becomes payable. The county auditor shall immediately forward one copy of the petition to the appropriate governmental authority in a home rule charter or statutory city or town in which the property is located if that city or town employs its own certified assessor. *A petition for determination under this section may be transferred by the district court to the tax court.*

Sec. 10. Minnesota Statutes 1976, Section 278.03, is amended to read:

278.03 [PAYMENT OF PORTION OF TAX.] *Before filing such petition, and as a condition precedent thereto If the proceedings instituted by the filing of the petition have not been completed before the first day of June next following the filing , the petitioner shall pay to the county treasurer at least 50 percent of the tax levied for such year against the property involved, unless permission to file continue prosecution of the petition*

without such payment is obtained as herein provided, which payment shall be endorsed by the county treasurer on the original petition before the same may be filed. Permission to file such petition without such payment may be. If the proceedings instituted by the filing of the petition have not been completed by the next November 1, the petitioner shall pay to the county treasurer 50 percent of the unpaid balance of the taxes levied for the year against the property involved, unless permission to continue prosecution of the petition without payment is obtained as herein provided. The petitioner, upon ten days notice to the county attorney and to the county auditor, given at least ten days prior to the first day of June or the first day of November, may apply to the court for permission to file continue prosecution of the petition without such payments payment; and, if it is made to appear

- (1) That the proposed review is to be taken in good faith;
- (2) That there is probable cause to believe that the property may be held exempt from the tax levied or that the tax may be determined to be less than 50 percent of the amount levied; and
- (3) That it would work a hardship upon petitioner to pay 50 percent of such taxes.

The court may permit the petitioner to continue prosecution of the petition to be filed without such payment, or may fix a lesser amount to be paid as a condition precedent to the right to file the same. Payment of the amount so fixed shall be endorsed on the order by the county treasurer of continuing the prosecution of the petition.

If the court shall allow the filing of the petition without such payment or fix the amount to be paid, then the matter shall stand for trial without further payment. In all other cases, if the proceedings instituted by the filing of such petition have not been completed before November first, next following the filing of such petition, the petitioner shall pay 50 percent of the remaining unpaid taxes for the current year or 50 percent of the remaining unpaid taxes based upon the probable value of such property, if the value has been found by the court upon application as aforesaid. Failure to make payment of such additional the amount required when due shall operate automatically to dismiss the petition and all proceedings thereunder unless such the payment is waived by an order of the court upon application as hereinafter provided. The petitioner, upon ten days' notice to the county attorney and to the county auditor, given at least ten days prior to November first, may apply to the court for an order waiving the requirement of such additional payment, upon the same grounds as set forth herein, for relief from the requirement to pay the original 50 percent of such taxes, except that he must show that the tax may be determined to be less than 75 percent of the amount levied permitting the petitioner to continue prosecution of the petition without payment. The county treasurer shall, upon request of the petitioner, issue duplicate receipts for such additional the tax payment, one of which shall be filed by the petitioner in such the proceeding.

Sec. 11. *This act is effective July 1, 1977.*"

Further, strike the title and insert:

"A bill for an act relating to the tax court; providing for review of certain tax matters by the tax court; modifying procedures that condition the right to prosecute the tax matter; specifying qualifications of judges; providing for administration of the tax court; amending Minnesota Statutes 1976, Sections 274.19, Subdivisions 4 and 5; 277.011, Subdivision 3; 278.03; and Minnesota Statutes, 1977 Supplement, Sections 271.01, by adding a subdivision; 271.02; 271.04; 271.06, Subdivision 2; 277.011, Subdivision 1; and 278.01."

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

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

S. F. No. 1755: A bill for an act relating to shade tree disease control; clarifying utilization of appropriations; authorizing extension of temporary rules; repealing Laws 1977, Chapter 90, Section 14, Subdivision 4.

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

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes, 1977 Supplement, Section 18.023, Subdivision 3a, is amended to read:

Subd. 3a. [GRANTS TO MUNICIPALITIES.] (a) The commissioner may, in the name of the state and within the limit of appropriations provided, make grants-in-aid to a municipality with an approved disease control program for the partial funding of municipal sanitation and reforestation programs. The commissioner may make grants-in-aid to any home rule charter or statutory city of more than 40,000 population in the metropolitan area as defined in subdivision 1 or a combination of such cities of 40,000 combined population under a joint powers agreement pursuant to section 471.59, or a home rule charter or statutory city of more than 20,000 population outside the metropolitan area or a combination of such cities of 20,000 combined population under a joint powers agreement pursuant to section 471.59 any special purpose park and recreation board organized under a charter of a city of the first class or any non-profit corporation serving a city of the first class or any county having an approved disease control program for the acquisition or implementation of a wood utilization or disposal system.

(b) The commissioner shall promulgate rules for the administration of grants authorized by this subdivision. The rules shall establish and contain as a minimum:

- (1) Procedures for grant applications;
- (2) Conditions and procedures for the administration of grants;

(3) Criteria of eligibility for grants including, but not limited to, those specified in this subdivision; and

(4) Such other matters as the commissioner may find necessary to the proper administration of the grant program.

(c) Grants-in-aid payments for wood utilization and disposal systems made by the commissioner pursuant to this subdivision shall not exceed 50 percent of the total cost of the system. Grants to any municipality for sanitation shall not exceed 45 percent of sanitation costs approved by the commissioner including any amount of sanitation costs paid by special assessments, ad valorem taxes, federal grants or other funds. A municipality shall not specially assess a property owner any amount greater than the amount of the tree's sanitation cost minus the amount of the tree's sanitation cost reimbursed by the commissioner. Grants to municipalities for reforestation shall not exceed the lesser of 50 percent of the cost or \$40 multiplied by the number of trees planted pursuant to the reforestation program and shall be limited for any municipality in any year to grants for not more than the number of trees removed on public property in the sanitation program in the previous year, except during the first year of any approved disease control program; provided that a reforestation grant to any county may include up to 90 percent of the cost of the first 50 trees planted on public property in a town not described in subdivision 1 and of less than 1,000 population upon the town's application to the county; provided further, that reforestation grants to towns as described in subdivision 1 a municipality of less than 1,000 population with an approved disease control program may include up to 90 percent of the first 50 trees planted on public property. For the purpose of this subdivision, "cost" shall not include the value of a gift or dedication of trees required by a municipal ordinance or any revenue from a special assessment but shall include documented "in kind" services or voluntary work for municipalities with a population of less than 1,000 according to the 1970 census.

(d) Based upon estimates submitted by the municipality to the commissioner, which shall state the estimated costs of sanitation and reforestation in the succeeding quarter under an approved program, the commissioner shall direct quarterly advance payments to be made by the state to the municipality commencing April 1, 1977. The commissioner shall direct adjustment of any overestimate in a succeeding quarter. A municipality may elect to receive the proceeds of its sanitation and reforestation grants on a periodic cost reimbursement basis.

(e) A home rule charter or statutory city, or county outside the metropolitan area or any municipality, as defined in subdivision 1, may submit an application for a grant authorized by this subdivision concurrently with its request for approval of a disease control program.

Sec. 2. Minnesota Statutes, 1977 Supplement, Section 18.023, Subdivision 4, is amended to read:

Subd. 4. [SUBSIDIES TO CERTAIN OWNERS.] A muni-

cipality may provide subsidies to nonprofit organizations, to owners of private residential property of five acres or less, to owners of property used for a homestead of more than five acres but less than 20 acres and to nonprofit cemeteries, however organized, for the approved treatment or removal of diseased shade trees.

Notwithstanding any law to the contrary, an owner of property on which shade trees are located may contract with a municipality to provide protection against the cost of approved treatment or removal of diseased shade trees or shade trees that will contribute to the spread of shade tree diseases. Under such contracts, the municipality shall pay for the removal or approved treatment under such terms and conditions as may be determined by the governing body of the municipality.

Sec. 3. Minnesota Statutes, 1977 Supplement, Section 18.023, Subdivision 11, is amended to read:

Subd. 11. [REPORT TO THE LEGISLATURE.] On or before January 31 of each year, the commissioner shall report to the legislature on the preceding year's approved disease control programs and any experimental programs conducted pursuant to subdivision 10a. *The commissioner, with the assistance of the Minnesota energy agency, shall investigate and evaluate the potential uses of wood infected with shade tree disease, including the uses as an alternative energy source and as a component in the construction or manufacture of new products. The commissioner shall include the results of the investigation and any recommendations for proposed relevant legislation in the report to the legislature due on or before January 31, 1979.*

Sec. 4. Minnesota Statutes 1976, Section 89.38, is amended to read:

89.38 [PROHIBITION; PENALTIES.] It shall be unlawful for a period of ten years from the date of purchase for any person who purchases trees from the commissioner to use or permit the use of planting stock furnished hereunder for any purpose not authorized hereunder, or to sell, give, remove, or permit the removal with roots attached of any tree previously planted from stock furnished hereunder for replanting on any ground other than his own or for any purpose not authorized hereunder. Any violation of this section shall be a misdemeanor.

Sec. 5. Minnesota Statutes 1976, Section 89.391, is amended to read:

89.391 [NURSERY INSPECTION CERTIFICATES; LIMITATIONS ON ISSUANCE.] No certificate of inspection shall be issued pursuant to section 18.51 by the commissioner of agriculture to a person who is determined by the commissioner of natural resources to have purchased trees from him pursuant to sections 89.35 to 89.39 and who is selling, giving, removing, or permitting the removal of the trees with roots attached, *in violation of section 89.38.*

Sec. 6. Minnesota Statutes, 1977 Supplement, Section 275.50, Subdivision 6, is amended to read:

Subd. 6. The cost to a governmental unit of implementing section 18.023, including sanitation and reforestation, as defined in section 18.023, subdivision 1, is a "special levy" and is not subject to tax levy limitations including those contained in sections 275.50 to 275.56 and in Laws 1969, Chapter 593, as amended by Laws 1974, Chapter 108, commencing with the levy made in 1976, payable in 1977 ; and terminating with the levy made in 1977, payable in 1978 . A governmental subdivision may make a supplementary levy in 1977, payable in 1978, for all costs of implementing section 18.023 incurred in calendar year 1977 for which a levy was not made in 1976, payable in 1977. For the purpose of calculating the tax levy limit base under section 275.51, for levy year 1977, taxes payable 1978, there shall be subtracted from the levy limit base of any governmental subdivision an amount equal to 112 percent of the amount levied under section 18.023 in levy year 1974, taxes payable 1975, and included in the levy limit base of the governmental subdivision as a result of Laws 1975, Chapter 437."

Page 1, strike lines 13 to 15

Page 2, after line 3, insert:

"Sec. 9. [APPROPRIATION.] *There is appropriated from the general fund to the commissioner of agriculture the following amounts for the following purposes for the period January 1, 1979 to December 31, 1979:*

(a) *For grants for sanitation programs pursuant to Minnesota Statutes, Section 18.023, Subdivision 3a, \$*

(b) *For grants for reforestation programs pursuant to Minnesota Statutes, Section 18.023, Subdivision 3a, \$*

The appropriation made in this section is in addition to the appropriations made in Laws 1977, Chapter 90, Section 14."

Page 2, strike section 3

Underline all new language in the bill

Renumber the sections in sequence

Amend the title as follows:

Line 2, strike "shade tree disease control" and insert "trees" and after the semicolon insert "clarifying municipal costs eligible for reimbursement by the state; authorizing municipal subsidies to certain persons; requiring an investigation of uses of diseased wood; authorizing the transfer of certain trees purchased from the state; extending the special levy authority for sanitation and reforestation;"

Line 3, after "appropriations" insert "for shade tree disease control"

Line 4, strike "repealing Laws 1977,"

Line 5, strike "Chapter 90, Section 14, Subdivision 4" and in-

sert "appropriating money; amending Minnesota Statutes 1976, Sections 89.38 and 89.391; and Minnesota Statutes, 1977 Supplement, Sections 18.023, Subdivisions 3a, 4 and 11; and 275.50, Subdivision 6"

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S. F. No. 622: A bill for an act relating to liquefied petroleum gas pipelines; minimum depth in certain areas; landowners liability; amending Minnesota Statutes 1976, Chapter 299F, by adding a section.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Chapter 299F, is amended by adding a section to read:

[299F.65] [PIPELINES; MINIMUM BURIAL DEPTH.]
Subdivision 1. [DEPTH; ENFORCEMENT.] Except as provided in subdivision 2, any pipeline designed for the transportation of natural or liquefied petroleum gas, crude oil or other petroleum product or derivative and installed after the effective date of this act shall be buried with a minimum level cover of not less than four and one-half feet in all areas where the pipeline crosses the right of way of any state, county, town or municipal street or highway and where the pipeline crosses private cultivated agricultural land. The fire marshal wherever practicable shall employ spot checks and issue certificates of compliance in order to enforce the provisions of this section. Violations of this section may be restrained in accordance with the provisions of section 299F.61.

Subd. 2. [WAIVER OF DEPTH REQUIREMENT.] In any easement granting right of way over cultivated agricultural land for any pipeline described in subdivision 1 the owner of that land may waive the minimum burial depth requirement of subdivision 1 with respect to all or part of the pipeline to be buried under that land. A waiver of the minimum burial depth requirement of subdivision 1 shall be effective only if the waiver

(a) is separately and expressly stated in the easement agreement and includes an express statement by the owner acknowledging that he has read and understood the waiver;

(b) is printed in larger and contrasting type and in language understandable to an average person not learned in law; and

(c) is separately signed and acknowledged by all parties to the easement agreement.

Any public agency authorized by law to approve the use of the right of way of any public street or highway for a pipeline de-

scribed in subdivision 1 may waive the minimum burial depth requirement of subdivision 1 if the approved depth of burial or other means approved for the use of the right of way adequately protects the health and safety of the public.

Sec. 2. Minnesota Statutes 1976, Section 299F.61, is amended to read:

299F.61 [INJUNCTIVE RELIEF.] Subdivision 1. The district courts of the state of Minnesota shall have jurisdiction, subject to the provisions of the statutes and the rules of practice and procedure of the state of Minnesota relative to civil actions in the district courts, to restrain violations of sections 299F.56 to ~~299F.64~~ 299F.65, including the restraint of transportation of gas or the operation of a pipeline facility, or to enforce standards established hereunder upon petition by the attorney general on behalf of the state of Minnesota. Whenever practicable, the state fire marshal shall give notice to any person against whom an action for injunctive relief is contemplated and afford him an opportunity to present his views, and, except in the case of a knowing and willful violation, shall afford him reasonable opportunity to achieve compliance. However, the failure to give such notice and afford such opportunity shall not preclude the granting of appropriate relief.

Subd. 2. Actions under sections 299F.56 to ~~299F.64~~ 299F.65 shall be brought in the district in the state of Minnesota wherein the defendant's principal place of business is located, and process in such cases may be served in any other district in the state of Minnesota where the defendant may be found or of which the defendant is an inhabitant or transacts business.

Sec. 3. [LIMITATION OF LIABILITY.] Subdivision 1. Any owner or lessee of any real property or any person acting with the authority of that owner or lessee who, in the ordinary conduct of agricultural operations upon that property, causes any damage to any underground pipeline utilized for the transportation of natural or liquified petroleum gas, crude oil or other petroleum product or derivative shall not be liable for any of the direct or incidental costs of repairing, restoring or replacing the pipeline in the absence of a showing of gross negligence or willful or wanton misconduct. "Ordinary conduct of agricultural operations" includes the installation or repair of agricultural drainage tile.

Subd. 2. An owner or lessee of any real property or a person acting with his authority who installs or repairs agricultural drainage tile on that property shall not be relieved of any liability as provided in subdivision 1 unless that owner, lessee or other person acting with his authority notifies the designated agent of the owner or operator of the pipeline of the intention to install or repair drainage tile on the property at least seven days before that work commences. An owner or operator of a pipeline shall provide to the county auditor of each county in which that pipeline is located the name, address and phone number of the individual to whom notice shall be given as provided in this subdivision. Notice is effective if made in writing by certified or registered mail to this designated agent of the owner or operator of the pipeline.

Sec. 4. *This act is effective the day following final enactment.*"

Strike the title in its entirety and insert

"A bill for an act relating to liquified petroleum gas and other pipelines; requiring minimum depth in certain areas; allowing an informed waiver of the depth requirement; limiting landowners liability; imposing duties on the state fire marshal; providing a remedy for violations; amending Minnesota Statutes 1976, Section 299F.61; and Chapter 299F, by adding a section."

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

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

H. F. No. 338: A bill for an act relating to commerce; providing an exclusive remedy for products liability actions; providing a statute of limitations; providing certain defenses; providing for the reporting of claims to the commissioner of insurance.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 541.05, is amended to read:

541.05 [VARIOUS CASES, SIX YEARS.] *Subdivision 1.* Except where the uniform commercial code otherwise prescribes, the following actions shall be commenced within six years:

- (1) Upon a contract or other obligation, express or implied, as to which no other limitation is expressly prescribed;
- (2) Upon a liability created by statute, other than those arising upon a penalty or forfeiture or where a shorter period is provided by section 541.07;
- (3) For a trespass upon real estate;
- (4) For taking, detaining, or injuring personal property, including actions for the specific recovery thereof;
- (5) For criminal conversation, or for any other injury to the person or rights of another, not arising on contract, and not hereinafter enumerated;
- (6) For relief on the ground of fraud, in which case the cause of action shall not be deemed to have accrued until the discovery by the aggrieved party of the facts constituting the fraud;
- (7) To enforce a trust or compel a trustee to account, where he has neglected to discharge the trust, or claims to have fully performed it, or has repudiated the trust relation;
- (8) Against sureties upon the official bond of any public officer, whether of the state or of any county, town, school district, or a

municipality therein; in which case the limitation shall not begin to run until the term of such officer for which the bond was given shall have expired;

(9) For damages caused by a dam, used for commercial purposes.

Subd. 2. Unless otherwise provided by law, any action based on the strict liability of the defendant and arising from the manufacture, sale, use or consumption of a product shall be commenced within four years.

Sec. 2. Minnesota Statutes 1976, Section 541.07, is amended to read:

541.07 [TWO YEAR LIMITATIONS.] Except where the uniform commercial code otherwise prescribes, the following actions shall be commenced within two years:

(1) For libel, slander, assault, battery, false imprisonment, or other tort, resulting in personal injury, and all actions against physicians, surgeons, dentists, hospitals, sanatoriums, for malpractice, error, mistake or failure to cure, whether based on contract or tort; provided a counter-claim may be pleaded as a defense to any action for services brought by a physician, surgeon, dentist, hospital or sanatorium, after the limitations herein described notwithstanding it is barred by the provisions of this chapter, if it was the property of the party pleading it at the time it became barred and was not barred at the time the claim sued on originated, but no judgment thereof except for costs can be rendered in favor of the party so pleading it;

(2) Upon a statute for a penalty or forfeiture;

(3) For damages caused by a dam, other than a dam used for commercial purposes; but as against one holding under the pre-emption or homestead laws, such limitations shall not begin to run until a patent has been issued for the land so damaged;

(4) Against a master for breach of an indenture of apprenticeship; the limitation, in such case, to run from the expiration of the term of service;

(5) For the recovery of wages or overtime or damages, fees or penalties accruing under any federal or state law respecting the payment of wages or overtime or damages, fees or penalties. (The term "wages" as used herein shall mean all remuneration for services or employment, including commissions and bonuses and the cash value of all remuneration in any medium other than cash, where the relationship of master and servant exists and the term "damages," as used herein, shall mean single, double, or treble damages, accorded by any statutory cause of action whatsoever and whether or not the relationship of master and servant exists);

(6) For damages caused by the establishment of a street or highway grade or a change in the originally established grade;

(7) For sales or use taxes imposed by the laws of any other state ;

(8) *Against the person who applies the pesticide for injury or damage to property resulting from the application, but not the manufacture or sale, of a pesticide.*

Sec. 3. Minnesota Statutes 1976, Chapter 544, is amended by adding a section to read:

[544.23] [AD DAMNUM: LIMITATION.] *In a pleading in a civil action which sets forth an unliquidated claim for relief, whether an original claim, cross-claim, or third-party claim, if a recovery of money is demanded in an amount less than \$50,000, the amount shall be stated. If a recovery of money in an amount greater than \$50,000 is demanded, the pleading shall state merely that recovery of reasonable damages in an amount greater than \$50,000 is sought.*

This section may be superseded by an amendment to the rules of civil procedure adopted after July 31, 1978.

Sec. 4. Minnesota Statutes 1976, Chapter 549, is amended by adding a section to read:

[549.20] [PUNITIVE DAMAGES.] *Subdivision 1. Punitive damages shall be allowed in civil actions only upon clear and convincing evidence that the acts of the defendant show a willful indifference to the rights or safety of others.*

Subd. 2. Punitive damages can properly be awarded against a master or principal because of an act done by an agent only if:

(a) *the principal authorized the doing and the manner of the act, or*

(b) *the agent was unfit and the principal was reckless in employing him, or*

(c) *the agent was employed in a managerial capacity and was acting in the scope of employment, or*

(d) *the principal or a managerial agent of the principal ratified or approved the act.*

Subd. 3. Punitive damages may be awarded and their amount fixed only by the court. Any award of punitive damages shall be measured by those factors which justly bear upon the purpose of punitive damages, including the seriousness of hazard to the public arising from the defendant's misconduct, the profitability of the misconduct to the defendant, the duration of the misconduct and any concealment of it, the degree of the defendant's awareness of the hazard and of its excessiveness, the attitude and conduct of the defendant upon discovery of the misconduct, the number and level of employees involved in causing or concealing the misconduct, the financial condition of the defendant, and the total effect of other punishment likely to be imposed upon the defendant as a result of the misconduct, including compensatory and punitive damage awards to the plaintiff and other similarly situated persons, and the severity of any criminal penalty to which the defendant may be subject.

Sec. 5. Minnesota Statutes 1976, Chapter 549, is amended by adding a section to read:

[549.21] [REIMBURSEMENT FOR CERTAIN COSTS IN CIVIL ACTIONS.] *Upon motion of a party prevailing as to an issue, the court in its discretion may award to that party costs, disbursements, reasonable attorney fees and witness fees relating to the issue if the party or attorney against whom costs, disbursements, reasonable attorney and witness fees are charged acted in bad faith as to that issue. To qualify for an award under this section, a party shall give timely notice of intent to claim an award, which notice shall in any event be given prior to the resolution of the issue.*

Sec. 6. Minnesota Statutes 1976, Section 604.01, Subdivision 1, is amended to read:

604.01 [COMPARATIVE FAULT; EFFECT.] Subdivision 1. [SCOPE OF APPLICATION.] *Contributory negligence fault shall not bar recovery in an action by any person or his legal representative to recover damages for negligence fault resulting in death or in injury to person or property, if such negligence the contributory fault was not as great as the negligence of the person total fault attributable to the persons against whom recovery is sought, but any damages allowed shall be diminished in the proportion to the amount of negligence fault attributable to the person recovering. The court may, and when requested by either any party shall, direct the jury to find separate special verdicts determining the amount of damages and the percentage of negligence fault attributable to each party; and the court shall then reduce the amount of such damages in proportion to the amount of negligence fault attributable to the person recovering. When there are two or more persons who are jointly liable, contributions to awards shall be in proportion to the percentage of negligence attributable to each, provided, however, that each shall remain jointly and severally liable for the whole award.*

Sec. 7. Minnesota Statutes 1976, Section 604.01, is amended by adding a subdivision to read:

Subd. 1a. "Fault" includes acts or omissions that are in any measure negligent or reckless toward the person or property of the actor or others, or that subject a person to strict tort liability. The term also includes breach of warranty, unreasonable assumption of risk not constituting an express consent, misuse of a product and unreasonable failure to avoid an injury or to mitigate damages. Legal requirements of causal relation apply both to fault as the basis for liability and to contributory fault.

Sec. 8. Minnesota Statutes 1976, Chapter 604, is amended by adding a section to read:

[604.02] [APPORTIONMENT OF DAMAGES.] *Subdivision 1. When two or more persons are jointly liable, contributions to awards shall be in proportion to the percentage of fault attributable to each, except that each is jointly and severally liable for the whole award.*

Subd. 2. Upon motion made not later than one year after judgment is entered, the court shall determine whether all or part of a party's equitable share of the obligation is uncollectible from that party and shall reallocate any uncollectible amount among the other parties, including a claimant at fault, according to their respective percentages of fault. A party whose liability is reallocated is nonetheless subject to contribution and to any continuing liability to the claimant on the judgment.

Subd. 3. In the case of a claim arising from the manufacture, sale, use or consumption of a product, an amount uncollectible from any person in the chain of manufacture and distribution shall be reallocated among all other persons in the chain of manufacture and distribution but not among the claimant or others at fault who are not in the chain of manufacture or distribution of the product.

Sec. 9. Minnesota Statutes 1976, Chapter 604, is amended by adding a section to read:

[604.03] [USEFUL LIFE OF PRODUCT.] *Subdivision 1. In any action for the recovery of damages for personal injury, death or property damage arising out of the manufacture, sale, use or consumption of a product, it is a defense to a claim against a designer, manufacturer, distributor or seller of the product or a part thereof, that the injury was sustained following the expiration of the ordinary useful life of the product.*

Subd. 2. The useful life of a product is not necessarily the life inherent in the product, but is the period during which with reasonable safety the product should be useful to the user. This period shall be determined by reference to the experience of users of similar products, taking into account present conditions and past developments, including but not limited to (1) wear and tear or deterioration from natural causes, (2) the progress of the art, economic changes, inventions and developments within the industry, (3) the climatic and other local conditions peculiar to the user, (4) the user's policy as to repairs, renewals and replacements, and (5) the useful life as stated by the designer, manufacturer, distributor, or seller of the product in brochures or pamphlets furnished with the product or in a notice attached to the product.

Sec. 10. Minnesota Statutes 1976, Chapter 604, is amended by adding a section to read:

[604.04] [NOTICE OF POSSIBLE CLAIM REQUIRED.] *Subdivision 1. The attorney for a person who intends to claim damage for or on account of personal injury, death or property damage arising out of the manufacture, sale, use or consumption of a product shall cause to be presented a notice of possible claim stating the time, place and circumstances of events giving rise to the claim and an estimate of compensation or other relief to be sought. This notice shall be given within six months of the date of entering into an attorney-client relation with the claimant in regard to the claim. Notice shall be given to all persons against whom the claim is likely to be made, except that notice by the claimant's*

attorney to one person in the chain of manufacture and distribution satisfies the requirement of notice to all others in the chain if the notice is accompanied by a demand that the recipient of the notice forward notice to all others in the chain of manufacture and distribution known to him and against whom he believes a claim may be made. The person notified by the claimant's attorney shall comply with the demand to give notice and shall promptly forward to the claimant's attorney the names and addresses of all others in the chain of manufacture and distribution whom he has notified of the possible claim.

A person in the chain of manufacture and distribution who is required by this section to give notice to other persons in the chain of manufacture and distribution shall include in the notice a list of those receiving the same notice, and a demand that the recipient forward a similar notice to all others in the chain of manufacture and distribution who are not on the list and are known to him and against whom he believes a claim may be made. Any recipient of a notice of possible claim accompanied by a demand to give notice to others shall comply with the demand and promptly forward to claimant's attorney the names and addresses of the persons notified.

Actual notice of sufficient facts to reasonably put a person against whom the claim is to be made or his insurer on notice of a possible claim satisfies the notice requirements of this section. Failure to state an estimate of the amount of compensation or other relief demanded does not invalidate the notice, but the claimant shall furnish full information regarding the nature and extent of the injuries and damages within 15 days after demand by a person to whom the notice was given or his insurer.

Subd. 2. A claimant who delays entering into an attorney-client relation with the purpose of delaying unreasonably the notice required by subdivision 1 is subject to liability as provided in subdivision 3.

Subd. 3. Any person injured by the failure of a claimant or his attorney or of a person in the chain of manufacture and distribution to comply with the requirements of this section may recover damages, costs and reasonable attorney fees from a person who violated this section, but failure to give notice does not affect the validity of a claim against a party who did not receive notice.

Sec. 11. [EFFECTIVE DATE.] Sections 1, 2, 4, 5, 6, 7, 8, 9 and 10 are effective the day following final enactment, and apply to all causes of action arising on or after that date.

Section 3 is effective August 1, 1978."

Further, amend the title as follows:

Strike the title in its entirety and insert:

"A bill for an act relating to civil actions; limiting ad damnum clauses; establishing rules for punitive damages; authorizing costs and attorney fees to be awarded when one party acts in bad faith; modifying rules of comparative fault, contribution, and joint lia-

bility; codifying a useful life defense; requiring notice of possible claims; establishing a statute of limitations for certain strict liability actions and for actions based on the application of pesticides; amending Minnesota Statutes 1976, Sections 541.05; 541.07; 604.01, Subdivision 1, and by adding a subdivision; and Chapters 544, by adding a section; 549, by adding sections; and 604, by adding sections."

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

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 2069: A bill for an act relating to the city of Rochester; certain positions in the police department.

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

Page 1, line 13, strike "under the control and direction of the chief of police" and insert "employed within the police department;"

Page 1, line 17, after the period insert "The city shall by ordinance provide for benefits and for procedures in the hiring, and dismissal of employees excluded from the jurisdiction of the police civil service commission."

Amend the title as follows:

Page 1, line 2, after the semicolon insert "transferring"

Page 1, line 3, strike "in the police department" and insert "from the jurisdiction of the police civil service commission"

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

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

S. F. No. 2155: A bill for an act relating to Minnesota Statutes; correcting erroneous, ambiguous, omitted and obsolete references and text; eliminating duplicate, redundant, conflicting and superseded provisions; amending Minnesota Statutes 1976, Sections 6.58; 15.0411, Subdivision 3; 16A.26; 40.072, Subdivision 3; 41.53, Subdivision 2; 44.06, Subdivision 2; 53.03, by adding a subdivision; 84A.55, Subdivision 14; 150A.09, Subdivision 1; 161.09, Subdivision 1; 161.14, Subdivision 19; 251.09; 251.10; 251.11; 251.12; 251.13; 254A.08, Subdivision 3; 270.08; 290.24; 290.49, Subdivision 10; 326.08, Subdivision 2; 366.10; 475.51, Subdivision 1; Minnesota Statutes, 1977 Supplement, Sections 15.0411, Subdivision 2; 15A.083, Subdivision 2; 16A.129; 50.14, Subdivision 5; 116C.63, Subdivision 4; 214.01, Subdivision 3; 256B.48, Subdivision 1; 290.01, Subdivision 20; 290.09, Subdivision 4; 319A.02, Subdivision 2; 343.08; 517.08, Subdivision 1; 593.42, Subdivision 5; 593.45, Subdivision 4; 593.46, Subdivision 2; Extra-Session Laws

1959, Chapter 19, by adding a section; repealing Minnesota Statutes 1976, Sections 33.10; 33.11; 33.12; 33.14; 33.15; 33.171; 270.051, Subdivision 1; 602.04; Minnesota Statutes, 1977 Supplement, Sections 33.13; Laws 1975, Chapters 61, Section 8; 136, Sections 11, 13, 57 and 58; Laws 1976, Chapters 44, Section 18; 163, Section 54; 222, Sections 25, Subdivision 8, and 78; 263, Section 8; Laws 1977, Chapters 264, Section 3; 299, Section 6; 326, Section 8; 346, Section 7.

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

Page 14, after line 6, insert:

"Sec. 59. Minnesota Statutes, 1977 Supplement, Section 488.04, Subdivision 3a, is repealed.

Sec. 60. In the next and subsequent editions of Minnesota Statutes, the revisor of statutes shall substitute "certified mail" for "registered mail" wherever the latter term appears, except when the purpose is to insure articles of monetary value."

Page 9 of the memorandum of explanation, after line 17, add:

"Sec. 59. Explanation. [COURTS; RENT DEPOSIT JURISDICTION.] All of Minnesota Statutes, Chapter 488, governing municipal courts was repealed by Laws 1977, Chapter 432. The earlier Laws 1977, Chapter 129, added this jurisdictional provision. The subject is now covered in the county and county municipal court laws.

Sec. 60. *Explanation. [CERTIFIED AND REGISTERED MAIL.] Certified mail serves all the purposes of registered mail except insurance and it is simpler and cheaper."*

Amend the title as follows:

Page 1, line 28, after "33.13;" insert "and 488.04, Subdivision 3a;"

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

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 1564: A bill for an act relating to administrative procedures of government agencies; adding metropolitan and capitol area agencies to the coverage of the administrative procedure act; amending Minnesota Statutes 1976, Section 15.0411, Subdivision 2.

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

Strike everything after the enacting clause and insert:

"Section 1. [METROPOLITAN ADMINISTRATIVE PROCEDURES.] Subdivision 1. [TASK FORCE; STUDY.] There is created a task force on metropolitan administrative procedures to consist of the following members: the chairman of the metropolitan

council or his designee who shall serve as chairperson of the task force; one member or representative of each of the following metropolitan commissions to be appointed by the respective commissions: airports, sports facilities, transit and waste control; one member each to be appointed by the governing bodies of the league of Minnesota cities and the association of Minnesota counties; the attorney general or his designee; the chief hearing examiner or his designee; and six persons appointed by the following legislators to represent other public and private groups which have demonstrated an interest in metropolitan administrative procedures: two appointed by the majority leader of the senate, two by the speaker, and one each by the minority leaders of the senate and house. The task force shall study and evaluate the administrative procedures used by the council and the commissions in the issuance of policies, rules and other general statements, and in the issuance of decisions affecting individual rights and privileges. Necessary staff and administrative support services shall be provided by the metropolitan council.

Subd. 2. [APPLICABILITY OF THE STATE ADMINISTRATIVE PROCEDURE ACT.] In performing this study the task force shall review and comment on the experience of the council and commissions in applying the administrative procedure act as permitted by Laws 1977, Chapter 443, Section 11 and as required by other law.

Subd. 3. [STUDY GOALS.] The task force shall study, evaluate and make recommendations in respect to each of the following: (1) retention of procedures currently in use by the council and commissions, (2) adoption of procedural changes in respect to individual activities or types of activities, (3) passage of a general procedures enabling law pursuant to which the council and the commissions would formulate specific procedures for their various types of activities, (4) passage of a metropolitan procedure act to apply to all covered activities, and (5) application of all or part of the state administrative procedure act to council and commission activities. In evaluating each of the preceding the task force shall determine the degree to which each provides the public with the degree of fairness, uniformity, predictability, access, visibility, responsiveness and deliberateness necessary for the proper administration of council and commission activities. In considering these alternatives, the task force shall hold hearings to receive public testimony and shall give adequate notice of these hearings to interested groups and persons.

Subd. 4. [WORK PLAN.] Before June 1, 1978, the task force shall prepare and submit for review to the senate governmental operations committee and the house local and urban affairs committee a proposed study design and detailed work program. Periodically through the course of the study, the task force shall report on progress to the legislative committees. The task force shall prepare a report which shall discuss each of the options listed in subdivision 3 in respect to the evaluative criteria stated therein and any other relevant matters the task force wishes to bring to the attention of the legislature, the council or the commissions.

The report shall also contain the recommendations and suggested statutory amendments of the task force and shall be submitted to the legislature, the council and the commissions no later than January 15, 1979.

Sec. 2. [EFFECTIVE DATE.] The act is effective the day following final enactment and shall expire July 1, 1979."

Amend the title by striking it in its entirety and inserting:

"A bill for an act relating to metropolitan government; providing for a study of administrative procedures used by metropolitan agencies; mandating consideration of certain statutory alternatives; creating a task force."

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

Mr. Coleman from the Committee on Rules and Administration, to which were referred

H. F. Nos. 1858 and 1864 for comparison with companion Senate Files, reports the following House Files were found not identical with their companion Senate Files 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.
1858	1807				
1864	1808				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1858 be amended as follows:

Page 11, line 31, after "1978" insert a new comma

And when so amended H. F. No. 1858 will be identical to S. F. No. 1807, and further recommends that H. F. No. 1858 be given its second reading and substituted for S. F. No. 1807, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1864 be amended as follows:

Page 2, line 17, before "relating" insert "of any applicable special law"

Page 2, lines 17 and 18 delete "of any applicable special law"

And when so amended H. F. No. 1864 will be identical to S. F. No. 1808, and further recommends that H. F. No. 1864 be given its second reading and substituted for S. F. No. 1808, 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. Coleman from the Subcommittee on Bill Scheduling, to which were referred S. F. Nos. 1859, 712, 2062, 1608, 1750, 1949, 1824, 2106, 1848, 2078, 1967, 526, 2111, 2080, 1882, 1809, 1703, 1908, 2101, 2029, 1957, 322, 1748, 954 and H. F. No. 1744 makes the following report:

That S. F. Nos. 1859, 712, 2062, 1608, 1750, 1949, 1824, 2106, 1848, 2078, 1967, 526, 2111, 1882, 1809, 1703, 1908, 2101, 2029, 1957, 322, 1748, 954 and H. F. No. 1744 be placed on the General Orders Calendar in the order indicated.

That S. F. No. 2080 be referred to the Committee on Finance.

That there were no other bills before the Subcommittee on which floor action was requested. Report adopted.

SECOND READING OF SENATE BILLS

S. F. Nos. 1194 and 1951 were read the second time.

S. F. Nos. 1468, 2136, 1747, 1130, 1905, 2023, 1759, 1952, 1862, 1641, 2166, 1909, 1901, 2025, 1916, 1660, 2154, 1764, 2048, 1193, 1885, 622, 2069, 2155 and 1564 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. Nos. 1858 and 1864 were read the second time.

H. F. Nos. 1442 and 338 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS

Mr. Chmielewski moved that the names of Messrs. Solon; Uiland, J. and Johnson be added as co-authors to S. F. No. 1623. The motion prevailed.

Mr. Chmielewski moved that the name of Mr. Merriam be added as co-author to S. F. No. 2320. The motion prevailed.

Mr. Schaaf moved that the name of Mr. Merriam be added as co-author to S. F. No. 2338. The motion prevailed.

Mrs. Brataas moved that the name of Mr. Laufenburger be added as co-author to S. F. No. 2342. The motion prevailed.

Mr. Hughes moved that his name be stricken as chief author and Mr. Stumpf be shown as chief author to S. F. No. 1544. The motion prevailed.

Mr. Schmitz moved that the name of Mr. Nelson be added as co-author to S. F. No. 1856. The motion prevailed.

Mr. Knoll introduced—

Senate Resolution No. 28: A Senate resolution congratulating

the Washburn High School basketball team on winning the Minneapolis Conference Championship.

Referred to the Committee on Rules and Administration.

THIRD READING OF SENATE BILLS

S. F. No. 1021: A bill for an act relating to natural resources; recodifying statutes relating to certain conservation areas; abolishing consolidated conservation areas fund; repealing obsolete provisions; appropriating money; amending Minnesota Statutes 1976, Sections 84A.01; 84A.03; 84A.07; 84A.10; 84A.51, Subdivision 4; 84A.52; 84A.53; 84A.55, Subdivisions 1, 3, 6, 8, 9, 10, 11, and 12; 281.23, Subdivision 8; 282.14; 282.16, Subdivision 1, and by adding subdivisions; 282.19; 282.21; and Laws 1961, Chapter 612, Section 1; repealing Minnesota Statutes 1976, Sections 84A.02; 84A.04; 84A.08; 84A.09; 84A.11; 84A.20 to 84A.23; 84A.26 to 84A.33; 84A.36 to 84A.42; 84A.50; 84A.51, Subdivisions 1, 2, and 3; 84A.54; 84A.55, Subdivision 14; and 282.221 to 282.226.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Dunn	Laufenburger	Olson	Spear
Ashbach	Engler	Lessard	Penny	Staples
Bang	Gearty	Lewis	Peterson	Stokowski
Benedict	Gunderson	Luther	Pillsbury	Strand
Bernhagen	Hughes	Menning	Renneke	Stumpf
Borden	Jensen	Merriam	Schrom	Ueland, A.
Brataas	Johnson	Moe	Setzepfandt	Ulland, J.
Chenoweth	Keefe, J.	Nelson	Sieloff	Vega
Coleman	Kirchner	Nichols	Sikorski	Wegener
Davies	Knaak	Ogdahl	Sillers	Willet
Dieterich	Knutson	Olhoff	Solon	

So the bill passed and its title was agreed to.

S. F. No. 837: A bill for an act relating to appropriations; converting certain open appropriations of dedicated receipts to direct appropriations; abolishing other open appropriations of dedicated receipts; abolishing certain dedicated funds and accounts; appropriating money; amending Minnesota Statutes 1976, Sections 15.05; 16.72, Subdivision 1; 18.411; 18.67; 34.07; 69.031, Subdivision 3; 69.55; 84.153; 84.154, Subdivision 5; 84.155, Subdivision 6; 84.86, Subdivision 1; 86.42, Subdivision 1; 89.035; 89.036; 89.21; 93.283, Subdivision 7; 93.335, Subdivision 4; 94.48; 97.49, Subdivision 7; 115.03, Subdivision 1; 116.41, Subdivision 2; 136A.29, Subdivision 22; 136A.30; 144.175, Subdivision 4; 160.285, Subdivision 3; 163.051, Subdivision 2; 168.54, Subdivision 5; 168A.31, Subdivision 1; 192.68, Subdivision 2; 192A.645; 197.02; 197.03; 197.05; 197.06; 246.41, Subdivision 2; 270.077; 299F.21; and 344.03, Subdivision 2; repealing Minnesota Statutes 1976, Sections 1.38; 16A.125, Subdivision 6; 21.114; 33.10; 33.11; 33.12 to 33.15;

33.171; 86.42, Subdivision 2; 94.49; 161.231; 168.54, Subdivisions 2, 3 and 6; 168A.31, Subdivision 2; 190.28; 197.04; 197.07; 241.25; 246.41, Subdivisions 1 and 3; 290.60; 360.389; 424.165; 458.50 to 458.60; 626.85, Subdivision 2; and Laws 1961, Chapter 472, Section 4, as added.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Dunn	Knoll	Olhoff	Spear
Ashbach	Engler	Knutson	Olson	Staples
Bang	Gearty	Laufenburger	Penny	Stokowski
Benedict	Gunderson	Lessard	Peterson	Strand
Bernhagen	Hanson	Lewis	Pillsbury	Stumpf
Borden	Hughes	Luther	Renneke	Ueland, A.
Brataas	Jensen	Menning	Schrom	Ulland, J.
Chenoweth	Johnson	Merriam	Setzepfandt	Vega
Chmielewski	Keefe, J.	Moe	Sieloff	Wegener
Coleman	Keefe, S.	Nelson	Sikorski	Willet
Davies	Kirchner	Nichols	Sillers	
Dieterich	Knaak	Ogdahl	Solon	

So the bill passed and its title was agreed to.

S. F. No. 838: A bill for an act relating to appropriations; converting certain standing appropriations to direct appropriations; abolishing other standing appropriations; appropriating money; amending Minnesota Statutes 1976, Sections 9.061, Subdivision 5; 97.482, Subdivision 2; and 638.08; repealing Minnesota Statutes 1976, Sections 7.07; and 144.146, Subdivision 2.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Dunn	Knoll	Olhoff	Spear
Ashbach	Engler	Knutson	Olson	Staples
Bang	Gearty	Laufenburger	Penny	Stokowski
Benedict	Gunderson	Lessard	Peterson	Strand
Bernhagen	Hanson	Lewis	Pillsbury	Stumpf
Borden	Hughes	Luther	Renneke	Ueland, A.
Brataas	Jensen	Menning	Schrom	Ulland, J.
Chenoweth	Johnson	Merriam	Setzepfandt	Vega
Chmielewski	Keefe, J.	Moe	Sieloff	Wegener
Coleman	Keefe, S.	Nelson	Sikorski	Willet
Davies	Kirchner	Nichols	Sillers	
Dieterich	Knaak	Ogdahl	Solon	

So the bill passed and its title was agreed to.

S. F. No. 839: A bill for an act relating to appropriations; converting certain open appropriations for retirement to direct appropriations; abolishing other open appropriations for retirement;

appropriating money; amending Minnesota Statutes 1976, Sections 3A.03, Subdivision 2; 3A.04, Subdivisions 3 and 4; 136.81, Subdivision 1; 352.04, Subdivision 5; 352.73, Subdivision 3; 352B.25; 352C.03, Subdivision 2; 352C.04, Subdivision 3; 352C.09, Subdivision 2; 353.83; 354.55, Subdivision 5; 354A.12; 355.46, Subdivision 3; 355.50; 490.123, Subdivision 1; Chapter 16A, by adding a section; repealing Minnesota Statutes 1976, Sections 3A.11, Subdivision 3; 352.73, Subdivision 4; 354.43, Subdivision 2; and 490.025, Subdivision 8.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Dieterich	Knoll	Penny	Stokowski
Ashbach	Dunn	Laufenburger	Peterson	Strand
Bang	Engler	Luther	Pillsbury	Stumpf
Benedict	Gunderson	Menning	Renneke	Ueland, A.
Bernhagen	Hanson	Merriam	Schrom	Ulland, J.
Borden	Hughes	Moe	Setzepfandt	Vega
Brataas	Jensen	Nelson	Sieloff	Wegener
Chenoweth	Johnson	Nichols	Sikorski	Willet
Chmielewski	Keefe, S.	Ogdahl	Sillers	
Coleman	Kirchner	Olhoft	Solon	
Davies	Knaak	Olson	Spear	

So the bill passed and its title was agreed to.

S. F. No. 1637: A bill for an act relating to political subdivisions; authorizing loans to acquire town halls; amending Minnesota Statutes, 1977 Supplement, Section 465.73.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Engler	Laufenburger	Penny	Stokowski
Bang	Gearty	Lessard	Peterson	Strand
Benedict	Gunderson	Lewis	Pillsbury	Stumpf
Bernhagen	Hanson	Luther	Renneke	Ueland, A.
Borden	Hughes	Menning	Schrom	Ulland, J.
Brataas	Jensen	Merriam	Setzepfandt	Vega
Chenoweth	Johnson	Moe	Sieloff	Wegener
Chmielewski	Keefe, J.	Nelson	Sikorski	Willet
Coleman	Keefe, S.	Nichols	Sillers	
Davies	Knaak	Ogdahl	Solon	
Dieterich	Knoll	Olhoft	Spear	
Dunn	Knutson	Olson	Staples	

So the bill passed and its title was agreed to.

S. F. No. 1635: A bill for an act relating to St. Louis county; limiting the manner in which costs to collect a judgment may be defrayed; amending Laws 1961, Chapter 302, Section 3.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Dunn	Knoll	Olhoft	Spear
Ashbach	Engler	Knutson	Olson	Staples
Bang	Gearty	Laufenburger	Penny	Stokowski
Benedict	Gunderson	Lessard	Peterson	Strand
Bernhagen	Hanson	Lewis	Pillsbury	Stumpf
Borden	Hughes	Luther	Renneke	Ueland, A.
Brataas	Jensen	Menning	Schrom	Ulland, J.
Chenoweth	Johnson	Merriam	Setzepfandt	Vega
Chmielewski	Keefe, J.	Moe	Sieloff	Wegener
Coleman	Keefe, S.	Nelson	Sikorski	Willet
Davies	Kirchner	Nichols	Sillers	
Dieterich	Knaak	Ogdahl	Solon	

So the bill passed and its title was agreed to.

S. F. No. 1446: A bill for an act relating to the state council for the handicapped; authorizing appeals by the council from state building code decisions affecting the interests of handicapped persons; granting the commissioner of administration authority to promulgate rules governing display of the international symbol of accessibility; authorizing the council to initiate or intervene in proceedings affecting handicapped persons; amending Minnesota Statutes 1976, Section 256.482, by adding a subdivision; Minnesota Statutes, 1977 Supplement, Section 256.48, Subdivision 5; and Chapter 16, by adding sections; repealing Minnesota Statutes 1976, Section 299G.12.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Dunn	Knoll	Olhoft	Spear
Ashbach	Engler	Knutson	Olson	Staples
Bang	Gearty	Laufenburger	Penny	Stokowski
Benedict	Gunderson	Lessard	Peterson	Strand
Bernhagen	Hanson	Lewis	Pillsbury	Stumpf
Borden	Hughes	Luther	Renneke	Ueland, A.
Brataas	Jensen	Menning	Schrom	Ulland, J.
Chenoweth	Johnson	Merriam	Setzepfandt	Vega
Chmielewski	Keefe, J.	Moe	Sieloff	Wegener
Coleman	Keefe, S.	Nelson	Sikorski	Willet
Davies	Kirchner	Nichols	Sillers	
Dieterich	Knaak	Ogdahl	Solon	

So the bill passed and its title was agreed to.

S. F. No. 1743: A bill for an act relating to natural resources; clarifying the procedure for designation of wild, scenic and recrea-

tional rivers; amending Minnesota Statutes 1976, Section 104.35, Subdivisions 2 and 3.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Engler	Knutson	Olhoft	Solon
Bang	Gunderson	Laufenburger	Olson	Spear
Benedict	Hanson	Lessard	Penny	Staples
Bernhagen	Hughes	Lewis	Peterson	Stokowski
Borden	Jensen	Luther	Pillsbury	Strand
Brataas	Johnson	Menning	Renneke	Stumpf
Chenoweth	Keefe, J.	Merriam	Schrom	Ueland, A.
Coleman	Keefe, S.	Moe	Setzepfandt	Ulland, J.
Davies	Kirchner	Nelson	Sieloff	Vega
Dieterich	Knaak	Nichols	Sikorski	Wegener
Dunn	Knoll	Ogdahl	Sillers	Willet

So the bill passed and its title was agreed to.

S. F. No. 1616: A bill for an act relating to probate; enacting the Uniform International Wills Act; amending Minnesota Statutes 1976, Chapter 524, by adding sections.

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 43 and nays 13, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knaak	Ogdahl	Staples
Benedict	Gearty	Knoll	Olhoft	Stokowski
Bernhagen	Gunderson	Laufenburger	Olson	Strand
Chenoweth	Hanson	Lewis	Penny	Stumpf
Chmielewski	Hughes	Luther	Peterson	Vega
Coleman	Jensen	Merriam	Pillsbury	Wegener
Davies	Johnson	Moe	Setzepfandt	Willet
Dieterich	Keefe, S.	Nelson	Solon	
Dunn	Kirchner	Nichols	Spear	

Those who voted in the negative were:

Bang	Keefe, J.	Menning	Sieloff	Ulland, J.
Borden	Knutson	Renneke	Sillers	
Brataas	Lessard	Schrom	Ueland, A.	

So the bill passed and its title was agreed to.

S. F. No. 1662: A bill for an act relating to commerce; redefining "banking day"; amending Minnesota Statutes 1976, Section 336.4-104.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Engler	Knutson	Olson	Staples
Bang	Gearty	Laufenburger	Penny	Stokowski
Benedict	Gunderson	Lessard	Peterson	Strand
Bernhagen	Hanson	Lewis	Pillsbury	Stumpf
Borden	Hughes	Luther	Renneke	Ueland, A.
Brataas	Jensen	Menning	Schrom	Ulland, J.
Chenoweth	Johnson	Merriam	Setzepfandt	Vega
Chmielewski	Keefe, J.	Moe	Sieloff	Wegener
Coleman	Keefe, S.	Nelson	Sikorski	Willet
Davies	Kirchner	Nichols	Sillers	
Dieterich	Knaak	Ogdahl	Solon	
Dunn	Knoll	Olhoft	Spear	

So the bill passed and its title was agreed to.

S. F. No. 1606: A bill for an act relating to no-fault automobile insurance; increasing medical expense threshold for recovery of damages for non-economic detriment; amending Minnesota Statutes 1976, Section 65B.51, Subdivision 3.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Dunn	Knoll	Olhoft	Spear
Ashbach	Engler	Knutson	Olson	Staples
Bang	Gearty	Laufenburger	Penny	Stokowski
Benedict	Gunderson	Lessard	Peterson	Strand
Bernhagen	Hanson	Lewis	Pillsbury	Stumpf
Borden	Hughes	Luther	Renneke	Ueland, A.
Brataas	Jensen	Menning	Schrom	Ulland, J.
Chenoweth	Johnson	Merriam	Setzepfandt	Vega
Chmielewski	Keefe, J.	Moe	Sieloff	Wegener
Coleman	Keefe, S.	Nelson	Sikorski	Willet
Davies	Kirchner	Nichols	Sillers	
Dieterich	Knaak	Ogdahl	Solon	

So the bill passed and its title was agreed to.

S. F. No. 1548: A bill for an act relating to courts; changing fees collected by court clerks for certain actions and services; amending Minnesota Statutes 1976, Section 357.021, Subdivision 2; Chapter 525 by adding a section; and Minnesota Statutes, 1977 Supplement, Section 517.08, 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 41 and nays 14, as follows:

Those who voted in the affirmative were:

Bang	Gearly	Laufenburger	Olhoft	Stumpf
Benedict	Gunderson	Lessard	Olson	Ueland, A.
Chenoweth	Hanson	Lewis	Penny	Vega
Chmielewski	Hughes	Luther	Peterson	Wegener
Coleman	Johnson	Menning	Pillsbury	Willet
Davies	Keefe, J.	Merriam	Sillers	
Dieterich	Keefe, S.	Moe	Solon	
Dunn	Kirchner	Nelson	Stokowski	
Engler	Knaak	Nichols	Strand	

Those who voted in the negative were:

Anderson	Brataas	Knutson	Schrom	Spear
Bernhagen	Jensen	Ogdahl	Setzpfandt	Ulland, J.
Borden	Knoll	Renneke	Sieloff	

So the bill passed and its title was agreed to.

S. F. No. 1276: A bill for an act relating to Dakota county housing and redevelopment authority; establishing powers of the authority; providing compensation for commissioners; amending Laws 1971, Chapter 333, Section 2, as amended; repealing Laws 1971, Chapter 333, Section 3.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Engler	Laufenburger	Penny	Stokowski
Bang	Gearly	Lessard	Peterson	Strand
Benedict	Gunderson	Lewis	Pillsbury	Stumpf
Bernhagen	Hanson	Luther	Renneke	Ueland, A.
Borden	Hughes	Menning	Schrom	Ulland, J.
Brataas	Jensen	Merriam	Setzpfandt	Vega
Chenoweth	Johnson	Moe	Sieloff	Wegener
Chmielewski	Keefe, J.	Nelson	Sikorski	Willet
Coleman	Keefe, S.	Nichols	Sillers	
Davies	Kirchner	Ogdahl	Solon	
Dieterich	Knaak	Olhoft	Spear	
Dunn	Knutson	Olson	Staples	

So the bill passed and its title was agreed to.

S. F. No. 1229: A bill for an act relating to commerce; permitting price advertising of eyeglasses; amending Minnesota Statutes 1976, Section 148.57, Subdivision 3.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Bernhagen	Chmielewski	Dunn	Hanson
Ashbach	Borden	Coleman	Engler	Hughes
Bang	Brataas	Davies	Gearly	Jensen
Benedict	Chenoweth	Dieterich	Gunderson	Johnson

Keefe, J.	Luther	Olson	Sikorski	Ueland, A.
Keefe, S.	Menning	Penny	Sillers	Ulland, J.
Kirchner	Merriam	Peterson	Solon	Vega
Knaak	Moe	Pillsbury	Spear	Wegener
Knoll	Nelson	Renneke	Staples	Willet
Laufenburger	Nichols	Schrom	Stokowski	
Lessard	Ogdahl	Setzepfandt	Strand	
Lewis	Ohlhoft	Sieloff	Stumpf	

So the bill passed and its title was agreed to.

S. F. No. 1431: A bill for an act relating to food; providing for inspection and license fees for certain coin operated food vending machines; amending Minnesota Statutes, 1977 Supplement, Section 28A.03; and Minnesota Statutes 1976, Section 28A.09.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 1, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Knoll	Ohlhoft	Spear
Bang	Gearty	Knutson	Olson	Staples
Benedict	Gunderson	Laufenburger	Penny	Stokowski
Bernhagen	Hanson	Lewis	Peterson	Strand
Borden	Hughes	Luther	Pillsbury	Stumpf
Brataas	Jensen	Menning	Renneke	Ueland, A.
Chenoweth	Johnson	Merriam	Schrom	Ulland, J.
Chmielewski	Keefe, J.	Moe	Setzepfandt	Vega
Coleman	Keefe, S.	Nelson	Sikorski	Wegener
Dieterich	Kirchner	Nichols	Sillers	Willet
Dunn	Knaak	Ogdahl	Solon	

Mr. Lessard voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 1611: A bill for an act relating to corporations; requiring domestic corporations to file an active status report with the secretary of state; requiring the secretary of state to perform certain duties; providing that corporations that fail to file reports shall lose exclusive right to their names; permitting corporations and others to utilize the names of corporations which have lost exclusive right to their names; establishing filing fees; appropriating money; amending Minnesota Statutes 1976, Chapter 301, by adding a section; and Section 301.05, Subdivision 2.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 53 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knutson	Olson	Staples
Ashbach	Gearty	Laufenburger	Penny	Stokowski
Benedict	Gunderson	Lessard	Peterson	Strand
Bernhagen	Hanson	Lewis	Pillsbury	Stumpf
Brataas	Hughes	Luther	Renneke	Ueland, A.
Chenoweth	Jensen	Menning	Setzpfandt	Ulland, J.
Chmielewski	Johnson	Merriam	Sieloff	Vega
Coleman	Keefe, S.	Moe	Sikorski	Wegener
Davies	Kirchner	Nelson	Sillers	Willet
Dieterich	Knaak	Nichols	Solon	
Dunn	Knoll	Olhoff	Spear	

Messrs. Bang; Keefe, J. and Ogdahl voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 1622: A bill for an act relating to game and fish; requiring a trout stamp; providing for disposition of the proceeds; appropriating funds; amending Minnesota Statutes 1976, Section 98.46, by adding a subdivision; Minnesota Statutes, 1977 Supplement, Sections 98.46, Subdivision 2a; and 98.50, Subdivision 5.

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 28 and nays 29, as follows:

Those who voted in the affirmative were:

Benedict	Gearty	Knoll	Nichols	Strand
Borden	Gunderson	Laufenburger	Olson	Stumpf
Chenoweth	Hanson	Lewis	Renneke	Vega
Coleman	Hughes	Luther	Spear	Willet
Davies	Keefe, S.	Merriam	Staples	
Dunn	Kirchner	Nelson	Stokowski	

Those who voted in the negative were:

Anderson	Dieterich	Lessard	Peterson	Sillers
Ashbach	Engler	Menning	Pillsbury	Solon
Bang	Johnson	Moe	Schrom	Ueland, A.
Bernhagen	Keefe, J.	Ogdahl	Setzpfandt	Ulland, J.
Brataas	Knaak	Olhoff	Sieloff	Wegener
Chmielewski	Knutson	Penny	Sikorski	

So the bill failed to pass.

S. F. No. 1603: A bill for an act relating to Washington county; authorizing the city of Stillwater, the town of Stillwater and Washington county to jointly exercise planning and land use control powers; applying the authorization retroactively.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Engler	Knutson	Olson	Staples
Ashbach	Gearty	Laufenburger	Penny	Stokowski
Bang	Gunderson	Lessard	Peterson	Strand
Benedict	Hanson	Lewis	Pillsbury	Stumpf
Bernhagen	Hughes	Luther	Renneke	Ueland, A.
Borden	Jensen	Menning	Schrom	Ulland, J.
Brataas	Johnson	Merriam	Setzepfandt	Vega
Chenoweth	Keefe, J.	Moe	Sieloff	Wegener
Chmielewski	Keefe, S.	Nelson	Sikorski	Willet
Davies	Kirchner	Nichols	Sillers	
Dieterich	Knaak	Ogdahl	Solon	
Dunn	Knoll	Olhoft	Spear	

So the bill passed and its title was agreed to.

S. F. No. 1698: A bill for an act relating to armories; authorizing disposition of unused armories to counties in addition to municipalities; amending Minnesota Statutes 1976, Section 193.36, Subdivision 2.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Engler	Knutson	Olson	Staples
Ashbach	Gearty	Laufenburger	Penny	Stokowski
Bang	Gunderson	Lessard	Peterson	Strand
Benedict	Hanson	Lewis	Pillsbury	Stumpf
Bernhagen	Hughes	Luther	Renneke	Ueland, A.
Borden	Jensen	Menning	Schrom	Ulland, J.
Brataas	Johnson	Merriam	Setzepfandt	Vega
Chenoweth	Keefe, J.	Moe	Sieloff	Wegener
Chmielewski	Keefe, S.	Nelson	Sikorski	Willet
Davies	Kirchner	Nichols	Sillers	
Dieterich	Knaak	Ogdahl	Solon	
Dunn	Knoll	Olhoft	Spear	

So the bill passed and its title was agreed to.

S. F. No. 1684: A bill for an act relating to federal aid to state government; requiring consultation with the legislative advisory commission prior to expenditure of certain federal aid.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Borden	Davies	Gunderson	Keefe, J.
Ashbach	Brataas	Dieterich	Hanson	Keefe, S.
Bang	Chenoweth	Dunn	Hughes	Kirchner
Benedict	Chmielewski	Engler	Jensen	Knoll
Bernhagen	Coleman	Gearty	Johnson	Knutson

Laufenburger	Nelson	Pillsbury	Solon	Ulland, J.
Lessard	Nichols	Renneke	Spear	Vega
Lewis	Ogdahl	Schrom	Staples	Wegener
Luther	Olhoft	Setzepfandt	Stokowski	Willet
Menning	Olson	Sieloff	Strand	
Merriam	Penny	Sikorski	Stumpf	
Moe	Peterson	Sillers	Ueland, A.	

So the bill passed and its title was agreed to.

S. F. No. 1779: A bill for an act relating to public health; requiring owner identification marks on removable dental prostheses; prescribing penalties.

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 53 and nays 3, as follows:

Those who voted in the affirmative were:

Bang	Gearty	Laufenburger	Penny	Staples
Benedict	Gunderson	Lessard	Peterson	Stokowski
Bernhagen	Hanson	Lewis	Pillsbury	Strand
Borden	Hughes	Luther	Renneke	Stumpf
Brataas	Johnson	Menning	Schrom	Ueland, A.
Chenoweth	Keefe, J.	Merriam	Setzepfandt	Ulland, J.
Chmielewski	Keefe, S.	Moe	Sieloff	Vega
Coleman	Kirchner	Nelson	Sikorski	Wegener
Davies	Knaak	Nichols	Sillers	Willet
Dunn	Knoll	Olhoft	Solon	
Engler	Knutson	Olson	Spear	

Messrs. Dieterich, Jensen and Ogdahl voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 1888: A bill for an act relating to elections; prohibiting misuse of campaign funds; providing a civil penalty; providing that compensation for personal services rendered to influence election of a candidate is not a prohibited expenditure; amending Minnesota Statutes 1976, Section 210A.19, Subdivision 1; and Chapter 210A, by adding a section.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Engler	Knutson	Olson	Staples
Ashbach	Gearty	Laufenburger	Penny	Stokowski
Bang	Gunderson	Lessard	Peterson	Strand
Benedict	Hanson	Lewis	Pillsbury	Stumpf
Bernhagen	Hughes	Luther	Renneke	Ueland, A.
Borden	Jensen	Menning	Schrom	Ulland, J.
Brataas	Johnson	Merriam	Setzepfandt	Vega
Chenoweth	Keefe, J.	Moe	Sieloff	Wegener
Chmielewski	Keefe, S.	Nelson	Sikorski	Willet
Davies	Kirchner	Nichols	Sillers	
Dieterich	Knaak	Ogdahl	Solon	
Dunn	Knoll	Olhoft	Spear	

So the bill passed and its title was agreed to.

S. F. No. 1955: A bill for an act relating to transportation construction contracts; defining the term "small business"; amending Minnesota Statutes, 1977 Supplement, Section 161.321, 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 57 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knutson	Olson	Staples
Ashbach	Gearty	Laufenburger	Penny	Stokowski
Bang	Gunderson	Lessard	Peterson	Strand
Benedict	Hanson	Lewis	Pillsbury	Stumpf
Bernhagen	Hughes	Luther	Renneke	Ueland, A.
Borden	Jensen	Menning	Schrom	Ulland, J.
Brataas	Johnson	Merriam	Setzepfandt	Vega
Chenoweth	Keefe, J.	Moe	Sieloff	Wegener
Chmielewski	Keefe, S.	Nelson	Sikorski	Willet
Davies	Kirchner	Nichols	Sillers	
Dieterich	Knaak	Ogdahl	Solon	
Dunn	Knoll	Olhoff	Spear	

So the bill passed and its title was agreed to.

S. F. No. 1643: A bill for an act relating to agriculture; corn detasseling employees; providing minimum labor standards; amending Minnesota Statutes 1976, Chapter 181, by adding sections.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 42 and nays 14, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Lessard	Olson	Stumpf
Ashbach	Dieterich	Lewis	Pillsbury	Ueland, A.
Bang	Gearty	Luther	Setzepfandt	Ulland, J.
Benedict	Hanson	Menning	Sieloff	Vega
Borden	Hughes	Merriam	Sikorski	Wegener
Brataas	Johnson	Moe	Solon	Willet
Chenoweth	Keefe, J.	Nelson	Spear	
Chmielewski	Keefe, S.	Nichols	Staples	
Coleman	Knoll	Olhoff	Stokowski	

Those who voted in the negative were:

Bernhagen	Gunderson	Laufenburger	Peterson	Sillers
Dunn	Jensen	Ogdahl	Renneke	Strand
Engler	Knutson	Penny	Schrom	

So the bill passed and its title was agreed to.

S. F. No. 1787: A bill for an act relating to the national guard; amending the state military code; providing penalties; amending Minnesota Statutes 1976, Sections 192.06; 192.11; 192.12; 192.261, Subdivision 5; 192.32; 192.33; 192.34; and Chapter 192, by add-

ing a section; repealing Minnesota Statutes 1976, Sections 190.28; 192.09; and 192.10.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Dunn	Knoll	Olhoft	Spear
Ashbach	Engler	Knutson	Olson	Staples
Bang	Gearty	Laufenburger	Penny	Stokowski
Benedict	Gunderson	Lessard	Peterson	Strand
Bernhagen	Hanson	Lewis	Pillsbury	Stumpf
Borden	Hughes	Luther	Renneke	Ueland, A.
Brataas	Jensen	Menning	Schrom	Ulland, J.
Chenoweth	Johnson	Merriam	Setzepfandt	Vega
Chmielewski	Keefe, J.	Moe	Sieloff	Wegener
Coleman	Keefe, S.	Nelson	Sikorski	Willet
Davies	Kirchner	Nichols	Sillers	
Dieterich	Knaak	Ogdahl	Solon	

So the bill passed and its title was agreed to.

S. F. No. 1842: A bill for an act relating to the Minnesota historical society; providing for a liaison position; implementing the administration of a state humanities program; updating statutory provisions; amending Minnesota Statutes 1976, Sections 138.081, Subdivision 2, and by adding a subdivision; 138.17, Subdivision 1; 138.35, Subdivision 1; repealing Minnesota Statutes 1976, Section 138.162.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Dunn	Knoll	Olhoft	Spear
Ashbach	Engler	Knutson	Olson	Staples
Bang	Gearty	Laufenburger	Penny	Stokowski
Benedict	Gunderson	Lessard	Peterson	Strand
Bernhagen	Hanson	Lewis	Pillsbury	Stumpf
Borden	Hughes	Luther	Renneke	Ueland, A.
Brataas	Jensen	Menning	Schrom	Ulland, J.
Chenoweth	Johnson	Merriam	Setzepfandt	Vega
Chmielewski	Keefe, J.	Moe	Sieloff	Wegener
Coleman	Keefe, S.	Nelson	Sikorski	Willet
Davies	Kirchner	Nichols	Sillers	
Dieterich	Knaak	Ogdahl	Solon	

So the bill passed and its title was agreed to.

THIRD READING OF HOUSE BILLS.

H. F. No. 356: A bill for an act relating to insurance; examination fees; abstract or summary of the annual statement; amending

Minnesota Statutes 1976, Sections 60A.03, Subdivision 5; 60A.13, Subdivision 3; and 60A.14, 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 57 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Knoll	Olson	Staples
Ashbach	Engler	Laufenburger	Penny	Stokowski
Bang	Gearty	Lessard	Peterson	Strand
Benedict	Gunderson	Lewis	Pillsbury	Stumpf
Bernhagen	Hanson	Luther	Renneke	Ueland, A.
Borden	Hughes	Menning	Schrom	Ulland, J.
Brataas	Jensen	Merriam	Setzepfandt	Vega
Chenoweth	Johnson	Moe	Sieloff	Wegener
Chmielewski	Keefe, J.	Nelson	Sikorski	Willet
Coleman	Keefe, S.	Nichols	Sillers	
Davies	Kirchner	Ogdahl	Solon	
Dieterich	Knaak	Olhoft	Spear	

Mr. Knutson voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 1095: A bill for an act relating to public health; requiring medical malpractice information from insurers; granting subpoena power to the board of medical examiners; amending Minnesota Statutes 1976, Section 147.072.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Dieterich	Kirchner	Nichols	Solon
Ashbach	Dunn	Knaak	Ogdahl	Spear
Bang	Engler	Knoll	Olhoft	Staples
Benedict	Gearty	Laufenburger	Olson	Stokowski
Bernhagen	Gunderson	Lessard	Penny	Strand
Borden	Hanson	Lewis	Pillsbury	Stumpf
Brataas	Hughes	Luther	Renneke	Ueland, A.
Chenoweth	Jensen	Menning	Setzepfandt	Ulland, J.
Chmielewski	Johnson	Merriam	Sieloff	Vega
Coleman	Keefe, J.	Moe	Sikorski	Wegener
Davies	Keefe, S.	Nelson	Sillers	Willet

Messrs. Knutson and Peterson voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 85: A bill for an act relating to governmental agencies; providing for an open appointment process; requiring reports from appointing authorities and the commissioner of administration; providing for publication of agency vacancies.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Engler	Knutson	Olhoft	Solon
Ashbach	Gearty	Laufenburger	Olson	Spear
Bang	Gunderson	Lessard	Penny	Staples
Benedict	Hanson	Lewis	Peterson	Stokowski
Bernhagen	Hughes	Luther	Pillsbury	Strand
Brataas	Jensen	Menning	Renneke	Stumpf
Chenoweth	Johnson	Merriam	Schrom	Ueland, A.
Chmielewski	Keefe, J.	Moe	Setzepfandt	Ulland, J.
Coleman	Keefe, S.	Nelson	Sieloff	Vega
Dieterich	Knaak	Nichols	Sikorski	Willet
Dunn	Knoll	Ogdahl	Sillers	

So the bill passed and its title was agreed to.

H. F. No. 1860: A bill for an act relating to public employees retirement association; providing for adjusted accrual dates for payment of annuities, survivor benefits and disability benefits, and clarifying membership requirements for elected officials; amending Minnesota Statutes 1976, Sections 353.29, Subdivision 7; 353.32, Subdivision 1a; 353.33, Subdivision 2; 353.657, Subdivision 2a; and Minnesota Statutes, 1977 Supplement, Sections 353.01, Subdivision 2b; 353.29, Subdivision 8; and 353.31, Subdivision 8.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Engler	Knutson	Olson	Stokowski
Ashbach	Gearty	Laufenburger	Penny	Strand
Bang	Gunderson	Lessard	Peterson	Stumpf
Benedict	Hanson	Lewis	Pillsbury	Ueland, A.
Bernhagen	Hughes	Luther	Renneke	Ulland, J.
Brataas	Jensen	Menning	Schrom	Vega
Chenoweth	Johnson	Merriam	Setzepfandt	Wegener
Chmielewski	Keefe, J.	Moe	Sieloff	Willet
Coleman	Keefe, S.	Nelson	Sillers	
Davies	Kirchner	Nichols	Solon	
Dieterich	Knaak	Ogdahl	Spear	
Dunn	Knoll	Olhoft	Staples	

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 10:00 o'clock a.m., Thursday, March 2, 1978. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

EIGHTY-FIRST DAY

St. Paul, Minnesota, Thursday, March 2, 1978

The Senate met at 10:00 o'clock a.m. and was called to order by the President.

CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate. The following Senators answered to their names:

Ashbach	Davies	Laufenburger	Peterson	Staples
Bang	Dunn	Lessard	Pillsbury	Stumpf
Benedict	Engler	Lewis	Renneke	Tennessee
Bernhagen	Gearty	Luther	Schaaf	Wegener
Borden	Hanson	Menning	Schrom	Willet
Brataas	Keefe, S.	Moe	Setzepfandt	
Chenoweth	Kirchner	Nelson	Sieloff	
Chmielewski	Kleinbaum	Penny	Sikorski	
Coleman	Knaak	Perpich	Spear	

The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Dean Meeter.

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

Anderson	Engler	Knutson	Perpich	Stokowski
Ashbach	Gearty	Laufenburger	Peterson	Strand
Bang	Gunderson	Lessard	Pillsbury	Stumpf
Benedict	Hanson	Lewis	Renneke	Tennessee
Bernhagen	Hughes	Luther	Schaaf	Ueland, A.
Borden	Humphrey	Menning	Schrom	Ulland, J.
Brataas	Jensen	Moe	Setzepfandt	Vega
Chenoweth	Johnson	Nelson	Sieloff	Wegener
Chmielewski	Keefe, J.	Nichols	Sikorski	Willet
Coleman	Keefe, S.	Ogdahl	Sillers	
Davies	Kirchner	Olhoft	Solon	
Dieterich	Kleinbaum	Olson	Spear	
Dunn	Knaak	Penny	Staples	

The President declared a quorum present.

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

MEMBERS EXCUSED

Messrs. Knoll, McCutcheon, Merriam, Purfeerst and Schmitz were excused from the Session of today.

Mr. Benedict was excused from the Session of today from 11:00 a.m. to 12:00 o'clock noon. Mr. Schrom was excused from the Session of today at 12:00 o'clock noon.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received and referred to the committees indicated:

March 1, 1978

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

The following appointment to the Board of the Arts is hereby respectfully submitted to the Senate for confirmation as required by law:

Alvina O'Brien, 480 Grand Hill, St. Paul, Ramsey County, has been appointed by me, effective January 2, 1978, for a term expiring the first Monday in January, 1982.

Referred to the Committee on General Legislation and Veterans Affairs.

February 27, 1978

The following appointment to the State Board for Community Colleges is hereby respectfully submitted to the Senate for confirmation as required by law:

Thomas D. Peacock, Route 2, Cass Lake, Cass County, has been appointed by me, effective January 30, 1978, for a term expiring the first Monday in January, 1982.

Referred to the Committee on Education.

Sincerely,
Rudy Perpich, Governor

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Lewis introduced—

S. F. No. 2364: A bill for an act relating to the blind; retaining the adult regional library for the blind within the department of public welfare; amending Minnesota Statutes 1976, Section 128A.02, Subdivision 1; and Laws 1976, Chapter 271, Section 74, Subdivisions 6, 7 and 8.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Humphrey introduced—

S. F. No. 2365: A bill for an act relating to education; vocational-technical schools; permitting certain independent school districts in Hennepin county to create joint boards for area vocational-technical schools; defining powers of these joint boards; amending Minnesota Statutes 1976, Chapter 121, by adding a section; repealing Laws 1967, Chapter 822, as amended.

Referred to the Committee on Education.

Mr. Strand introduced—

S. F. No. 2366: A bill for an act relating to education; authorizing the state board of education to establish the position and employ an industrial arts consultant; appropriating money.

Referred to the Committee on Education.

Mr. Strand introduced—

S. F. No. 2367: A bill for an act relating to appropriations; providing funds to pay certain special assessments against the state for ditch improvements in the county of Swift.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Purfeerst, Humphrey, Kirchner, Luther and Lewis introduced—

S. F. No. 2368: A bill for an act relating to motor vehicles; requiring mandatory annual inspection of motor vehicles; prescribing powers and duties of the commissioner of public safety and the pollution control agency; imposing fees for inspection; prescribing penalties; and appropriating money.

Referred to the Committee on Transportation.

Mr. Perpich introduced—

S. F. No. 2369: A bill for an act relating to the city of Chisholm; authorizing an on-sale liquor license for Chisholm sports arena.

Referred to the Committee on Commerce.

Mr. Moe, for the Committee on Finance, introduced—

S. F. No. 2370: A bill for an act relating to public improvements; authorizing alterations, repair, rehabilitation, equipping, and replacement of equipment of public buildings with certain conditions; postponing deadline for submission of capital budget; authorizing purchase and sale of public lands and buildings; limiting construction of acoustical barriers; appropriating money; amending Minnesota Statutes 1976, Section 16A.11, Subdivision

1; Minnesota Statutes, 1977 Supplement, Section 161.125, Subdivision 1; repealing Laws 1977, Chapter 454, Section 16.

Under the rules of the Senate, laid over one day.

Mr. Moe, for the Committee on Finance, introduced—

S. F. No. 2371: A bill for an act relating to public improvements, authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state buildings bonds; authorizing university of Minnesota to participate in shade tree disease control program; limiting capital improvements at vocational-technical schools; appropriating money; amending Minnesota Statutes 1976, Sections 121.21, Subdivision 4a; 121.214, Subdivisions 1, 3, and 4; 124.564; and Minnesota Statutes, 1977 Supplement, Section 18.023, Subdivisions 1 and 3a.

Under the rules of the Senate, laid over one day.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, herewith returned: S. F. No. 1802.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 1, 1978

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. 265: A bill for an act relating to highways; providing that towns be reimbursed for repairing and restoring town roads damaged while utilized as a haul road in transporting road building materials used in construction or maintenance.

Senate File No. 265 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 1, 1978

CONCURRENCE AND REPASSAGE

Mr. Schrom moved that the Senate concur in the amendments by the House to S. F. No. 265 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 265 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 48 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knaak	Schaaf	Strand
Ashbach	Gearty	Lessard	Schrom	Stumpf
Bang	Gunderson	Lewis	Setzepfandt	Tennessee
Benedict	Hanson	Luther	Sieloff	Ueland, A.
Bernhagen	Hughes	Menning	Sikorski	Ulland, J.
Brataas	Jensen	Nelson	Sillers	Vega
Chenoweth	Johnson	Perpich	Solon	Wegener
Chmielewski	Keefe, S.	Peterson	Spear	Willet
Davies	Kirchner	Pillsbury	Staples	
Dunn	Kleinbaum	Renneke	Stokowski	

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. 1758: A bill for an act relating to the department of transportation; permitting the commissioner of transportation to designate primary and alternate routes for the Great River Road; deleting the statutory route; removing duty of the commissioner to maintain the road; amending Minnesota Statutes 1976, Sections 161.142 and 161.148, Subdivisions 1, 2 and 3; repealing Minnesota Statutes 1976, Section 161.148, Subdivision 4.

Senate File No. 1758 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 1, 1978

Mr. Coleman moved that S. F. No. 1758 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 2221, 1834, 1936, 2013, 2312, 1873, 2049, 2242, 2243, 842, 1732, 1965, 1981, 2066, 1826, 2067, 2081, 2102 and 2225.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 1, 1978

FIRST READING OF HOUSE BILLS

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

H. F. No. 2221: A bill for an act relating to Minnesota Statutes; correcting erroneous, ambiguous, omitted and obsolete references and text; eliminating duplicate, redundant, conflicting and superseded provisions; amending Minnesota Statutes 1976, Sections 6.58; 15.0411, Subdivision 3; 16A.26; 40.072, Subdivision 3; 41.53, Subdivision 2; 44.06, Subdivision 2; 53.03, by adding a subdivision; 84A.55, Subdivision 14; 150A.09, Subdivision 1; 161.09, Subdivision 1; 161.14, Subdivision 19; 251.09; 251.10; 251.11; 251.12; 251.13; 254A.08, Subdivision 3; 270.08; 290.24; 290.49, Subdivision 10; 326.08, Subdivision 2; 366.10; 475.51, Subdivision 1; Minnesota Statutes, 1977 Supplement, Sections 15.0411, Subdivision 2; 15A.083, Subdivision 2; 16A.129; 50.14, Subdivision 5; 116C.63, Subdivision 4; 214.01, Subdivision 3; 256B.48, Subdivision 1; 290.01, Subdivision 20; 290.09, Subdivision 4; 319A.02, Subdivision 2; 343.08; 517.08, Subdivision 1; 593.42, Subdivision 5; 593.45, Subdivision 4; 593.46, Subdivision 2; Extra Session Laws 1959, Chapter 19, by adding a section; repealing Minnesota Statutes 1976, Sections 33.10; 33.11; 33.12; 33.14; 33.15; 33.171; 270.051, Subdivision 1; 602.04; Minnesota Statutes, 1977 Supplement, Sections 33.13; Laws 1975, Chapters 61, Section 8; 136, Sections 11, 13, 57 and 58; Laws 1976, Chapters 44, Section 18; 163, Section 54; 222, Sections 25, Subdivision 8, and 78; 263, Section 8; Laws 1977, Chapters 264, Section 3; 299, Section 6; 326, Section 8; 346, Section 7.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 2155.

H. F. No. 1834: A bill for an act relating to labor; increasing fees for boiler inspection and engineers' licenses; amending Minnesota Statutes 1976, Sections 183.545, Subdivisions 1, 2, 3, and 4; and 183.57, Subdivision 2.

Referred to the Committee on Employment.

H. F. No. 1936: A bill for an act relating to Independent School District No. 272 (Eden Prairie) and Independent School District No. 273 (Edina); providing for the transfer of territory from Independent School District No. 272 to Independent School District No. 273.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1775 now on the Consent Calendar.

H. F. No. 2013: A bill for an act relating to domestic relations; contracts and conveyances between husband and wife; amending Minnesota Statutes 1976, Sections 500.19, by adding a subdivision; and 519.06.

Referred to the Committee on Judiciary.

H. F. No. 2312: A bill for an act relating to Independent School District No. 272 (Eden Prairie) and Independent School District No. 271 (Bloomington); providing for the transfer of territory from Independent School District No. 272 to Independent School District No. 271.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 2157 now on the Consent Calendar.

H. F. No. 1873: A bill for an act relating to the county of Anoka; validating the acquisition of and payment for certain real estate.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1660.

H. F. No. 2049: A bill for an act relating to local units of government; removing certain restrictions on contracts affecting the financial interests of public officers; amending Minnesota Statutes 1976, Section 471.89, Subdivisions 2 and 3; and Minnesota Statutes, 1977 Supplement, Section 471.88, Subdivision 5.

Referred to the Committee on Local Government.

H. F. No. 2242: A bill for an act relating to Yellow Medicine county; authorizing the expenditure of money by the county board to restore county ditch number nine.

Referred to the Committee on Agriculture and Natural Resources.

H. F. No. 2243: A bill for an act relating to the city of Rochester; issuance of licenses for the sale of intoxicating liquor at Mayo civic auditorium.

Referred to the Committee on Commerce.

H. F. No. 842: A bill for an act relating to financial institutions; establishing procedures for issuance of orders and removal of officers, trustees or directors in the event of violations of law or unsafe practices; providing penalties.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 370.

H. F. No. 1732: A resolution urging the President and Congress to take action to insure environmental safeguards in connection with an electrical generating facility at Atikokan, Ontario, Canada.

Referred to the Committee on Rules and Administration.

H. F. No. 1965: A bill for an act relating to highways; directing the department of transportation to utilize a certain corridor in Washington county for the construction of interstate highway marked No. I 94.

Referred to the Committee on Transportation.

H. F. No. 1981: A bill for an act relating to natural resources; informal sales of state timber; removing the requirement of a certain affidavit; amending Minnesota Statutes 1976, Section 90.191, Subdivision 1.

Referred to the Committee on Agriculture and Natural Resources.

H. F. No. 2066: A bill for an act relating to commerce; providing for delivery of motor vehicle certificates of title to owners; amending Minnesota Statutes 1976, Section 168A.20, Subdivision 1.

Referred to the Committee on Commerce.

H. F. No. 1826: A bill for an act relating to public welfare; providing compensation to residents of state institutions; accepting volunteer services; authorizing rule promulgation for child cost of care; authorizing ward institutional placement for respite care; concerning the discharge of a committed patient; providing for a hospital program plan; concerning local welfare hearing; regarding child support; amending Minnesota Statutes 1976, Sections 246.36; 252A.11, Subdivision 3; 253A.15, Subdivision 11; 253A.17, Subdivision 9; 256.045, Subdivision 2; Chapter 246, by adding a section; Minnesota Statutes, 1977 Supplement, Sections 252.27, Subdivision 2; 256.79; 256.873.

Referred to the Committee on Health, Welfare and Corrections.

H. F. No. 2067: A bill for an act relating to transportation; authorizing permits for the construction of agricultural fences on a highway right-of-way.

Referred to the Committee on Transportation.

H. F. No. 2081: A bill for an act relating to education; authorizing expansion of the environmental education program; amending Minnesota Statutes 1976, Section 89.35, Subdivision 2; and Minnesota Statutes, 1977 Supplement, Section 126.111, Subdivision 1.

Referred to the Committee on Education.

H. F. No. 2102: A bill for an act relating to labor; clarifying the definition of public employer in the public employees labor relations act; amending Minnesota Statutes 1976, Section 179.63, Subdivision 4.

Referred to the Committee on Governmental Operations.

H. F. No. 2225: A bill for an act relating to prepaid legal service plans; authorizing creation of nonprofit, legal service plan corporations; providing for their formation and regulation; prescribing penalties.

Referred to the Committee on Commerce.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted, with the exception of the report on S. F. No. 2237 and reports pertaining to appointments. The motion prevailed.

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

S. F. No. 2006: A bill for an act relating to courts; disqualification of a presiding judge without a showing of prejudice; amending Minnesota Statutes 1976, Section 542.16.

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

Page 1, after line 6, insert

"Section 1. Minnesota Statutes 1976, Section 487.40, Subdivision 2, is amended to read:

Subd. 2. [NOTICE TO REMOVE; SUBSEQUENT DISQUALIFICATION.] Any party or his attorney, to a cause pending in a court, ~~on or before ten days prior to the first day of a general, or five days prior to a special, term thereof, or, in any district having two or more judges,~~ within one day after it is ascertained which judge is to preside at the trial or hearing thereof, or at the hearing of any motion, order to show cause, or argument on demurrer, may make and file with the clerk of the court in which the action is pending and serve on the opposite party an affidavit stating that, ~~on account of prejudice or bias on the part of such judge, he has good reason to believe, and does believe, that he cannot have a fair trial or hearing thereof, a notice to remove and thereupon such judge shall forthwith,~~ without any further act or proof, secure some other judge of the same or another district to preside at the trial of ~~such the~~ cause or the hearing of the motion, demurrer, or order to show cause, and ~~shall continue~~ the cause *shall be continued* on the calendar, until such ~~another~~ judge can be present. In criminal actions ~~such the~~ affidavit shall be made and filed with ~~such the~~ clerk by the defendant, or his attorney, not less than two days before the expiration of the time allowed him by law to prepare for trial and in any of ~~such the~~ cases ~~such the~~ presiding judge shall be incapacitated to try ~~such the~~ cause. In criminal cases, ~~such the~~ judge for the purpose of securing a speedy trial, may in his discretion change the place of trial to another county.

After a litigant has once disqualified a presiding judge as a matter of right under this subdivision, he may disqualify the substitute judge, but only by making an affirmative showing of prejudice. A showing that the judge might be excluded for bias from acting as a juror in the matter constitutes an affirmative showing of prejudice."

Page 1, line 11, strike "on or before ten days prior to"

Page 1, strike lines 12 and 13

Page 2, lines 3 and 7, strike "such" and insert "the"

Page 2, line 6, strike "such" and before "notice" insert "the"

Page 2, line 4, after "and" insert "the cause"

Page 2, line 4, strike "continue the"

Page 2, line 5, strike "cause" and insert "be continued"

Page 2, line 5, strike "such" and insert "another"

Page 2, line 10, strike the first "such" and insert "those"

Page 2, line 10, strike the second "such" and insert "the"

Page 2, line 11, in both places, strike "such" and insert "the"

Page 2, line 18, strike "and by obtaining a writ of prohibition"

Page 2, line 18, after the period insert "A showing that the judge might be excluded for bias from acting as a juror in the matter constitutes an affirmative showing of prejudice."

Renumber the sections in sequence

Amend the title as follows:

Line 4, strike "Section" and insert "Sections 487.40, Subdivision 2; and"

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

Mr. Gearty from the Committee on Elections, to which was referred

S. F. No. 1935: A bill for an act relating to ethics in government; requiring congressmen to file certain information with the Minnesota secretary of state.

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

Page 1, line 16, before the period, insert ", in a form required by the secretary of state"

Page 1, strike lines 17 to 21

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

Mr. Purfeerst from the Committee on Transportation, to which was re-referred

S. F. No. 2072: A bill for an act relating to traffic regulation; allowing an authorized emergency vehicle to use an oscillating white light; amending Minnesota Statutes 1976, Section 169.55, Subdivision 1.

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

Mr. Purfeerst from the Committee on Transportation, to which was re-referred

S. F. No. 2073: A bill for an act relating to highway traffic regulation; concerning authorized emergency vehicles; expanding the definition to include a licensed land emergency ambulance service; amending Minnesota Statutes 1976, Section 169.01, Subdivision 5.

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S. F. No. 2192: A bill for an act relating to transportation; providing for the expenditure of certain portions of the county turn-back account on town road bridge structures; prohibiting funds for such expenditures to be declared surplus funds; amending Minnesota Statutes 1976, Sections 161.082, Subdivision 2a; and 161.084.

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

Page 1, line 16, strike "20" and insert "10"

Page 1, line 20, strike everything after the period

Page 1, strike lines 21 to 24

Page 2, strike lines 1 to 19

Renumber the remaining section

Amend the title as follows:

Page 1, strike line 5

Page 1, line 6, strike "declared surplus funds;"

Page 1, line 7, strike "Sections" and insert "Section"

Page 1, line 7, strike the semicolon and insert a period

Page 1, line 8, strike "and 161.084."

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

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 2234: A bill for an act relating to Ramsey county; changing the day of county board meetings; amending Laws 1974, Chapter 435, Section 2.05, as amended.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 2239: A bill for an act relating to the city of St. Paul; providing and authorizing issuance of general obligation bonds for capital improvement budget purposes; amending Laws 1971, Chapter 773, Section 1, as amended.

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

Page 1, strike the new language in lines 18 to 20

Page 2, strike lines 1 to 11 and insert:

"Subd. 2 During the year 1980, the city of St. Paul is authorized to issue bonds in the aggregate principal amount of \$6,500,000, if St. Paul's local general obligation debt as defined in this section is less than six percent of such market value calculated as of December 31 of the preceding year."

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

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 2264: A bill for an act relating to statutory cities; providing for uniformity in bidding requirements for local government contracts; amending Minnesota Statutes 1976, Section 412.311.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Gearty from the Committee on Elections, to which was referred

S. F. No. 2308: A bill for an act relating to elections; providing that public facilities be available for precinct caucuses; fixing the charge for their use; amending Minnesota Statutes 1976, Section 202A.15, by adding a subdivision.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Chapter 202A, is amended by adding a section to read:

[202A.192] [USE OF PUBLIC FACILITIES.] *Every statutory city, home rule charter city, county, town, school district and other public agency, including the University of Minnesota and other public colleges and universities, shall make their facilities available for the holding of precinct caucuses and legislative district or county conventions required by chapter 202A. A charge for the use of the facilities may be imposed in an amount that does not exceed the lowest amount charged to any public or private group.*

Sec. 2. Minnesota Statutes 1976, Section 202A.65, Subdivision 3, is amended to read:

Subd. 3. [NOMINATING PETITIONS, TIME FOR FILING.] In all cases other than those provided in subdivision 2, nominating petitions shall be filed ~~not later than the seventh day during the filing period~~ preceding the election at which the vacancy is to be filled.

Sec. 3. [EFFECTIVE DATE.] *This act is effective the day following its final enactment."*

Amend the title as follows:

Page 1, line 4, after "use;" insert "providing for the filing of certain nominating petitions;"

Page 1, line 5, after "1976," insert "Chapter 202A, by adding a section; and"

Page 1, line 5, strike "202A.15, by" and insert "202A.65, Sub-division 3."

Strike line 6

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

Mr. Olson from the Committee on General Legislation and Veterans Affairs, to which was referred

S. F. No. 2237: A bill for an act proposing an amendment to the Minnesota Constitution, Article XIII, Section 5; permitting parimutuel betting on races if authorized by law.

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

Page 1, line 8, strike "XIII" and insert "X"

Page 1, line 8, strike "5" and insert "7"

Page 1, strike lines 10-12 and insert:

"Sec. 7. The legislature may authorize and shall tax on-track parimutuel horseracing in a manner prescribed by law."

Page 1, line 16, after "parimutuel" insert "on-track"

Page 1, line 16, after "on" insert "horse"

Further amend the title as follows:

Page 1, line 3, strike "XIII" and insert "X"

Page 1, line 3, strike "5" and insert "7"

Page 1, line 4, after "on" insert "horse"

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

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

S. F. No. 1441: A bill for an act relating to outdoor recreation; providing for administration and control of additional sites by the Minnesota historical society; reclassifying certain existing parks; amending Minnesota Statutes 1976, Sections 85.012, divisions 1a, 10, 15, 18, 19, 21, 25, 26, 28, 30, 33, 34, 37, 40, 46, 49, 49a, 52, 53 and 59; and 138.025, by adding subdi-
pealing Minnesota Statutes 1976, Sections 85.013, Sub-

divisions 14, 19 and 23; 138.53, Subdivisions 3, 5, 6 and 66; 138.55, Subdivision 21; 138.56, Subdivision 4; 138.57, Subdivision 10; 138.58, Subdivisions 9, 15, 24, 25, 27, 35, 47, 48, 51 and 59; and 138.585, Subdivisions 4, 5, 8, 11, 12, 14, 22, 23 and 24.

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

Page 1, strike Section 2

Page 3, strike Sections 14 and 16

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, strike "10,"

Page 1, line 8, strike "40," and "43,"

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

Mr. Olson from the Committee on General Legislation and Veterans Affairs, to which was re-referred

S. F. No. 1973: A resolution relating to the war in Southeast Asia; expressing the concern of the Minnesota Legislature for those MIAs and POWs that are unaccounted; urging action by the national leadership to end the heartache caused by the lack of information about these servicemen.

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

Mr. Anderson from the Committee on Energy and Housing, to which was referred the following appointment as reported in the Journal for February 2, 1978:

MINNESOTA HOUSING FINANCE AGENCY

Mark Kaplan

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

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Hughes from the Committee on Education, to which was referred

S. F. No. 1781: A bill for an act relating to education; school districts; providing for adjustments in certain school aid and tax levy procedures; amending Minnesota Statutes 1976, Sections 6.62, Subdivision 1; 121.904, Subdivision 7; 124.212, by adding a subdivision; 126.12; 134.03; 275.125, Subdivisions 15, 16 and 18; Minnesota Statutes, 1977 Supplement, Sections 275.07; 275.124; repealing Minnesota Statutes 1976, Sections 120.07 and 124.02.

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

Strike everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1976, Section 6.62, Subdivision 1, is amended to read:

6.62 [POST-AUDIT; TAX LEVY.] Subdivision 1. [LEVY OF TAX.] Counties, cities, and towns, and school districts are authorized, if necessary, to levy, over and above tax levy limitations for other governmental purposes, an amount sufficient to pay the expense of a post-audit by the state auditor.

A school district is authorized to levy an amount sufficient to pay for the expense of a post-audit by the state auditor if the audit is performed at the discretion of the state auditor pursuant to section 6.51 or if the audit has been requested through a petition by freeholders pursuant to section 6.54. A school district is not authorized to levy these amounts if the post-audit by the state auditor is requested by the school board pursuant to section 6.55.

Sec. 2. Minnesota Statutes 1976, Chapter 120, is amended by adding a section to read:

[120.075] *Any pupil who, pursuant to the provisions of Minnesota Statutes 1976, Section 120.065, or Minnesota Statutes, 1977 Supplement, Section 123.39, Subdivision 5a, was enrolled on January 1, 1978, in a school district of which he was not a resident may continue in enrollment in that district. This provision shall also apply to any younger brother or sister of that enrolled pupil who is related to that pupil by blood, adoption or marriage. The enrollment of that pupil or of the other qualified members of his family shall remain subject to the provisions of those sections as they read on January 1, 1978. Any district which had a pupil enrolled on January 1, 1978, pursuant to the provisions of Minnesota Statutes 1976, Section 120.065, or Minnesota Statutes, 1977 Supplement, Section 123.39, Subdivision 5a, shall report this fact to the commissioner prior to August 15, 1978.*

Sec. 3. Minnesota Statutes 1976, Section 120.17, Subdivision 3, is amended to read:

Subd. 3. [RULES OF THE STATE BOARD.] The state board shall promulgate rules relative to qualifications of essential personnel, courses of study or training, methods of instruction and training, pupil eligibility, size of classes, rooms, equipment, supervision, parent consultation and any other rules and standards it deems necessary, for instruction of handicapped children. These rules shall provide standards and procedures appropriate for the implementation of and within the limitations of subdivisions 3a and 3b. *These rules shall also provide standards for the discipline of handicapped children relating to control, management and protection of these children.*

Sec. 4. Minnesota Statutes 1976, Section 120.64, Subdivision 4, is amended to read:

Subd. 4. Any school district operating a flexible school year program shall enter into one contract governing the entire school year with each teacher employed in a flexible program. If individual teachers contract to teach less than a period of 175 days during a school year, each 175 days of employment accrued during any five year period after the adoption of a flexible year program shall be deemed consecutive and shall constitute a full year's employment for purposes of establishing and retaining continuing contract rights to a full school year position pursuant to sections 125.12, subdivisions 3 and 4, and 125.17, subdivisions 2 and 3. A teacher who has not been discharged or advised of a refusal to renew his contract by April 1 of the applicable date, as specified in section 125.12 or section 125.17, in the year in which he will complete the requisite number of days for securing a continuing contract shall have a continuing full school year contract with the district.

Sec. 5. Minnesota Statutes 1976, Section 120.73, is amended by adding a subdivision to read:

Subd. 2a. Students may be required to furnish their own transportation to and from an instructional community-based employment station which is part of an approved occupational experience secondary vocational program. As an alternative, a school board may require the payment of reasonable fees for transportation to and from these instructional community-based employment stations. This subdivision shall only be applied to students who receive remuneration for their participation in these programs.

Sec. 6. Minnesota Statutes 1976, Section 121.21, Subdivision 6, is amended to read:

Subd. 6. The state board for vocational education shall promulgate, pursuant to chapter 15, such rules and regulations governing the operation and maintenance of schools so classified as will afford the people of the state an equal opportunity to acquire public vocational and technical education. *Rules relating to post-secondary vocational-technical education shall not incorporate the provisions of the state plan for vocational education by reference.*

The rules shall provide for, but are not limited to, the following:

(a) The area to be served by each school, which may include one or more districts or parts thereof;

(b) Curriculum and standards of instruction and scholarship;

(c) Attendance requirements, age limits of trainees, Minnesota non-resident attendance, and the determination of the actual costs of providing individual programs, and attendance for which no tuition shall be charged, all to be determined in accordance with the provisions of sections 124.561 to 124.565;

(d) The distribution and apportionment to the local districts of all funds, whether state or federal or other funds which may be made available to the state board for vocational education for carrying out the purposes of post-secondary vocational-technical

education in accordance with law and the approved state plan for vocational education ;

(e) Transportation requirements and payment of aid therefor; and

(f) Payment by the state board of tuition to school districts or post-secondary vocational technical schools in another state; and

(g) (f) General administrative matters.

Sec. 7. Minnesota Statutes 1976, Section 121.216, is amended to read:

121.216 [VOCATIONAL-TECHNICAL INSTITUTES; STUDENT ASSOCIATIONS.] Every school board governing an area vocational-technical institute shall give recognition as an authorized extracurricular activity to an area vocational-technical institute student association affiliated with the Minnesota vocational-technical student association. The student association is authorized to collect a reasonable voluntary fee from students to finance the activities of the association in an amount determined by each association after consultation with the governing board of the area vocational-technical institute which has recognized it. No student shall be obligated to pay the fee or be excluded from the association's activities because of failure to pay the fee.

Every governing body which recognizes a student association shall deposit the fees in a student association fund. The moneys in this fund shall be available for expenditure for student recreational, social, welfare, and educational pursuits supplemental to the regular curricular offerings.

Sec. 8. Minnesota Statutes 1976, Section 121.904, Subdivision 7, is amended to read:

Subd. 7. Summer school aids shall be recognized as revenues and recorded as receivables during the *in proportion to the total number of summer school days in each fiscal year in which the a summer school session ends occurs* ; provided that nothing in this subdivision shall be construed to provide for a different rate of aid than that provided in section 124.20.

Sec. 9. Minnesota Statutes 1976, Section 121.904, is amended by adding a subdivision to read:

Subd. 11a. Beginning with payments received in fiscal year 1978, revenues received pursuant to sections 294.21 to 294.28; 298.23 to 298.28; 298.32; 298.34 to 298.39; 298.391 to 298.396; 298.405; 298.51 to 298.67; any law imposing a tax on severed mineral values or any other law distributing proceeds in lieu of ad valorem tax assessments on copper or nickel properties, shall be recognized as revenue in the school year received.

Sec. 10. *The year end fund balances for the 1977 school year shall be adjusted as though the provisions of section 9 of this act had been effective at that time and the June 30, 1977 statutory operating debt of a district which received payment pursuant*

to the provisions specified in section 9 of this act shall be recertified by the commissioner as though the revenue recognition provisions of section 9 of this act had been effective at that time.

Sec. 11. Minnesota Statutes, 1977 Supplement, Section 121.912, Subdivision 1, is amended to read:

121.912 [PERMANENT FUND TRANSFERS.] Subdivision 1. After July 1, 1977, no school district shall permanently transfer money from an operating fund to a nonoperating fund; provided, however, that permanent transfers may be made from an operating fund to any other fund to correct for prior fiscal years' errors discovered after the books have been closed for that year and, permanent transfers may be made from the general fund to eliminate deficits in another fund when that other fund is being discontinued, and permanent transfers may be made from the area vocational-technical school general fund to the area vocational-technical school capital expenditure fund.

Sec. 12. Minnesota Statutes 1976, Section 122.23, is amended by adding a subdivision to read:

Subd. 16a. As of the effective date of the consolidation, all referendum levies previously approved by voters of the component districts for those districts pursuant to section 275.125, subdivision 2a, clause (4), or its predecessor or successor, are cancelled. However, if all of the territory of one and only one independent district maintaining a secondary school is included in the newly created district, and if the assessed valuation of taxable property in that territory comprises 90 percent or more of the assessed valuation of all taxable property in the newly created district, the board of the newly created district may levy the increased amount previously approved by a referendum in the pre-existing independent district upon all taxable property in the newly created district. Any new referendum levy shall be certified only after approval is granted by the voters of the entire newly created district in an election pursuant to section 275.125, subdivision 2a, clause (4), or its successor referendum provision.

Sec. 13. Minnesota Statutes 1976, Section 122.23, is amended by adding a subdivision to read:

Subd. 16b. (1) In the year of the effective date of the consolidation, the newly created district may levy an amount per pupil unit equal to the sum of the products of the amounts per pupil unit levied pursuant to section 275.125, subdivisions 6 or 7, in each component district in the previous year times the number of pupil units from that component district who are enrolled in the newly created district in the year of the levy, divided by the total number of pupil units in the newly created district in the year of the levy.

(2) In each year thereafter, the newly created district shall be allowed to levy the same amount per pupil unit as allowed by clause (1) of this subdivision.

Sec. 14. Minnesota Statutes 1976, Section 122.23, is amended by adding a subdivision to read:

Subd. 16c. As of the effective date of the consolidation and subject to the conditions of section 275.125, subdivision 9a, all the taxable property in the newly created district which was previously taxable for the payment of any statutory operating debt theretofore incurred by any component district of which it was a part prior to the consolidation shall remain taxable for the payment of that debt. The amount of statutory operating debt attributable to that taxable property shall be apportioned according to the proportion which the adjusted assessed valuation of that part of the pre-existing district bears to the total adjusted assessed valuation of the entire pre-existing district at the time of the consolidation. This apportionment shall be made by the county auditor and shall be incorporated as an annex to the order of the commissioner dividing the assets and liabilities of the component parts. As used in this subdivision, "statutory operating debt" shall have the meaning given it in section 121.914.

Sec. 15. Minnesota Statutes 1976, Section 123.34, Subdivision 4, is amended to read:

Subd. 4. On July 1 of each year, The treasurer shall file with the clerk a report of his balances, receipts and disbursements by funds, for the year. Such report, together with his vouchers, shall be examined by the board and, if found correct, approved by resolution entered in the records. If incomplete or inaccurate, a further or amended report may be required by the board. He shall make such further all reports as which may from time to time be called for by the board and perform all duties usually incumbent on such officer.

Sec. 16. Minnesota Statutes 1976, Section 123.34, Subdivision 8, is amended to read:

Subd. 8. The clerk shall keep books provided by the district for that purpose a record of all meetings of the district and the board in books provided by the district for that purpose. He shall, within three days after an election notify all persons elected of their election and, . On or before August 1 of each year he shall file with the board a report of the revenues, expenditures and balances in each fund for the preceding fiscal year. The report together with vouchers and supporting documents shall be examined by a public accountant paid by the school district. The board shall by resolution approve the report or require a further or amended report. On or before July 10 in August 15 of each year, he shall make and transmit to the county superintendent a commissioner certified report reports , showing:

- (1) The condition and value of school property;
- (2) The receipts revenues and disbursements expenditures in detail, and such other financial matter information required by law, rule, or as may be called for by the commissioner;
- (3) The length of school term and the enrollment and attendance by grades;
- (4) The names and post office addresses of all directors and other officers; and

(5) (4) Such other items of information as may be called for by the commissioner.

He shall enter in his record book copies of all his reports and of the teachers' term reports, as they appear in the registers, and of the proceedings of any meeting as furnished him by the clerk pro tem; and keep an itemized account of all the expenses of the district. He shall furnish to the auditor of the proper county, on or before October 10 of each year, an attested copy of his record, showing the amount of money voted by the district or the board for school purposes; draw and sign all orders upon the treasurer for the payment of money for bills allowed by the board for salaries of officers and for teachers' wages and all claims, to be countersigned by the chairman. Such orders shall state the consideration, payee, and the fund and the clerk shall take a receipt therefor. Teachers' wages shall have preference in the order in which they become due, and no money applicable for teachers' wages shall be used for any other purpose, nor shall teachers' wages be paid from any fund except that raised or apportioned for that purpose.

Sec. 17. Minnesota Statutes 1976, Section 123.37, Subdivision 1b, is amended to read:

Subd. 1b. Notwithstanding the provisions of subdivision 1 or section 471.345, a contract for the transportation of school children may be made by direct negotiation, by obtaining two or more written quotations for the service when possible, or upon sealed bids. At least 30 days before awarding a directly negotiated contract, the school district shall, by published notice, request quotations for the service to be provided. All quotations obtained shall be kept on file for a period of at least one year after receipt thereof. If a contract is made by direct negotiation, negotiations shall be open to the public. If a contract is made upon sealed bids, the procedure for advertising and awarding bids shall conform to the provisions of subdivision 1 *except as otherwise provided in this subdivision*.

Notwithstanding the provisions of subdivision 1 or section 574.26, a performance bond shall be required of a contractor on a contract for the transportation of school children only when deemed necessary by and at the discretion of the school board.

Sec. 18. Minnesota Statutes 1976, Section 123.37, Subdivision 3, is amended to read:

Subd. 3. Any contract made by the board for the rental of rooms or buildings for school purposes, ~~or for the free transportation of pupils to and from school,~~ or for the rental of any facility or facilities owned or operated by or under the direction of any private organization, shall be effective until disapproved by the commissioner, and all such contracts shall be submitted to him for approval immediately after being signed by the parties.

Sec. 19. Minnesota Statutes 1976, Section 123.37, Subdivision 4, is amended to read:

Subd. 4. The commissioner shall approve each such contract unless it appears from the information available to him that:

(a) The amount to be paid by the district concerned for the rooms or facilities rented ~~or for the transportation to be furnished,~~ under such contract substantially exceeds the reasonable value thereof; or

(b) The rooms or facilities to be furnished are not reasonably required for or suitable to the operation of the schools of the district, ~~or the transportation contracted for is not suitable to the requirements of the district;~~ or the contract does not provide adequately against any encroachment on or interference with the conduct of a public school; or

(c) The contract does not conform to law or a duly promulgated regulation of general application of the state board of education.

Sec. 20. Minnesota Statutes 1976, Section 123.39, is amended by adding a subdivision to read:

Subd. 8a. Notwithstanding the provisions of section 221.021, any public school district or school bus contractor providing transportation services to a school district on a regular basis in this state may operate school buses, excluding motor coach buses, for the purpose of providing transportation to nonpupils of the school district attending school events, as defined in section 123.38, subdivision 2a or 2b, provided that no person having a charter carrier permit has his principal office and place of business or bus terminal or garage within 25 miles of the principal office of the school district. School district owned buses and the operators thereof shall otherwise comply with the provisions of sections 123.18 and 123.39 and the rules of the state board of education and shall be insured in at least the amounts stated in section 466.04, subdivision 1. In all cases the total cost of providing such services, as determined by sound accounting procedures, shall be paid by charges made against those using the buses.

Sec. 21. Minnesota Statutes 1976, Section 123.39, is amended by adding a subdivision to read:

Subd. 8b. School districts may use school district owned or contractor operated school buses to provide transportation along regular school bus routes on a space available basis for senior citizens who are 62 years of age or older, provided that this use of a bus does not interfere with the transportation of pupils to and from school or other authorized transportation of pupils. In all cases, the total excess cost of providing these services, as determined by sound accounting procedures, shall be paid by charges made against those using these services or some third party payor. In no case shall the cost of this transportation be paid by the school district.

The provisions of section 65B.47, subdivision 4, shall be applicable to senior citizens being transported pursuant to this subdivision.

Sec. 22. Minnesota Statutes 1976, Section 124.15, Subdivision 2, is amended to read:

Subd. 2. Whenever the board of the district authorizes or permits within the district violations of the law by:

(1) employment in a public school of the district of a teacher who does not hold a valid teaching certificate or permit, or

(2) noncompliance with a mandatory rule or regulation of general application promulgated by the state board in accordance with statute in the absence of special circumstances making enforcement thereof inequitable, contrary to the best interest of, or imposing an extraordinary hardship on, the district affected, or

(3) continued performance by the district of a contract made for the rental of rooms or buildings for school purposes, ~~or for the free transportation of children to and from school~~ or for the rental of any facility owned or operated by or under the direction of any private organization, which contract has been disapproved where time for review of the determination of disapproval has expired and no proceeding for review is pending, or

(4) any practice which is a violation of sections 1 and 2 of article 13 of the Constitution of the state of Minnesota, or

(5) failure to provide reasonably for the school attendance to which a resident pupil is entitled under Minnesota Statutes, or

(6) noncompliance with state laws prohibiting discrimination because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance or disability, as defined in Minnesota Statutes 1974, Section 363.03, the special state aid to which a district is otherwise entitled for any school year shall be reduced in the amount and upon the procedure provided in this section or, in the case of the violation stated in clause (1), *upon the procedure provided in section 124.19, subdivision 3.*

Sec. 23. Minnesota Statutes 1976, Section 124.15, Subdivision 6, is amended to read:

Subd. 6. Reductions in special aid under this section shall be from foundation ~~program~~ aid. If there is not sufficient foundation ~~program~~ aid remaining to be paid for the school year in which the violation occurred, the reduction shall be from the other special aids payable to the district for that year in the order in which special state aids are listed in this code. ~~If the violation is for performance of a contract for transportation, which has been disapproved, the primary reduction shall be from transportation aid. If reduction is for several violations one of which is continued performance of such a contract, the transportation aid will be the primary fund for reduction in the proportion that the violation for performance of such a contract bears to the total number of violations involved.~~ If there is not a sufficient amount of special state aids remaining payable to the district for the school year in which the violation occurred to permit the full amount of reduction re-

quired, that part of the required reduction not taken from that school year's aids will be taken from the special state aids payable to the district for the next school year, and the reduction will be made from the various aids payable for the next year in the order above specified.

Sec. 24. Minnesota Statutes, 1977 Supplement, Section 124.17, Subdivision 1, is amended to read:

124.17 [DEFINITION OF PUPIL UNITS.] Subdivision 1. Pupil units for each resident pupil in average daily membership shall be counted as follows:

(1) In an elementary school, for kindergarten and for handicapped pre-kindergarten pupils as defined in section 120.03, and enrolled in one-half day sessions throughout the school year or the equivalent thereof, approved by the commissioner of education, one-half pupil unit and other elementary pupils, one pupil unit.

(2) In secondary schools, one and four-tenths pupil units. Pupils enrolled in the seventh and eighth grades of any school shall be counted as secondary pupils.

(4) To meet the problems of educational overburden caused by broken homes, poverty and low income, each pupil in clauses (1) and (2) from families receiving aid to families with dependent children or its successor program who is enrolled in the school district on October 1 shall be counted as an additional five-tenths pupil unit. By March 1 of each year the department of public welfare shall certify to the department of education, and to each school district to the extent the information pertains to it, that information concerning children from families with dependent children who were enrolled in the school district on the preceding October 1 which is necessary to calculate pupil units. Additional aids to a district for such pupils may be distributed on a delayed basis until the department of education publicly certifies that the information needed for paying such aids is available on such a timely basis that such aids may be paid concurrently with other foundation aids.

(5) In every district where the number of pupils from families receiving aid to families with dependent children or its successor program exceeds five percent of the total actual pupil units in the district for the same year, as computed in clauses (1) and (2), each such pupil shall be counted as an additional one-tenth of a pupil unit for each percent of concentration over five percent of such pupils in the district. The percent of concentration shall be rounded down to the nearest whole percent for purposes of this clause, provided that in districts where the percent of concentration is less than six, no additional pupil units shall be counted under this clause for pupils from families receiving aid to dependent children or its successor program and provided further that no such pupil shall be counted as more than one and ~~one-tenth~~ *fifteen one-hundredths* additional pupil units pursuant to clauses (4) and (5). Such weighting shall be in addition to the weighting provided in clauses (1), (2), (3), and (4). School

districts are encouraged to allocate a major portion of the aids that they receive on account of clauses (4) and (5) to primary grade programs and services, particularly to programs and services that involve participation of parents. Each district receiving aids on account of both clauses (4) and (5) shall establish and maintain accounts separate from all other district accounts for the receipt and disbursement of all such aids received.

(6) Where the total pupil units of a district are used as a multiplier in determining foundation aids and spending and levy limitations and where the actual number of pupil units has decreased from the prior year, the number of pupil units shall equal the greater of (a) the average of actual pupil units in the district for the two prior years and the current year or (b) the number of actual pupil units for the current year increased by .6 times the difference between the actual pupil units for the prior year and the current year. Only pupil units as computed in clauses (1) and (2) shall be included for purposes of computations made pursuant to this clause.

(7) In districts maintaining classified secondary schools where the actual number of pupil units has increased from the prior year by two percent or more, the additional pupil units over the prior year, as computed in clauses (1) and (2), shall be multiplied times one-tenth for each percent of increase over the prior year and a number of pupil units equal to the product shall be added to the other units for the district. The percent of increase shall be rounded up to the next whole percent for purposes of this clause, provided that in districts where the percent of increase is less than two, no additional pupil units shall be added to the other units for the district and provided further that the number of pupil units of increase over the prior year shall under no circumstances be multiplied by more than five-tenths.

(8) Only pupil units in clauses (1) and (2) shall be used in computing adjusted maintenance cost per pupil unit.

Sec. 25. Minnesota Statutes 1976, Section 124.17, is amended by adding a subdivision to read:

Subd. 2c. Notwithstanding the provisions of subdivision 2, in any case where pupils are prevented from attending school for more than 15 consecutive days because of epidemic, calamity, weather, fuel shortage, or other justifiable cause, the state board, upon application, may allow the district to continue to count these pupils in average daily membership.

Sec. 26. Minnesota Statutes, 1977 Supplement, Section 124.212, Subdivision 5a, is amended to read:

Subd. 5a. (1) In the 1977-1978 school year and each school year thereafter, the amount of money apportioned to a school district in for that year pursuant to section 124.10, subdivision 2 which exceeds the amount apportioned to that district pursuant to section 124.10, subdivision 2 in for the 1976-1977 school year, shall be deducted from the foundation aid earned by that district for the same year.

(2) In addition to the deduction in clause (1), the following amounts apportioned pursuant to section 124.10, subdivision 2 shall be deducted from foundation aid ~~in for~~ the school years designated:

(a) In the 1977-1978 school year, one-sixth of the amount apportioned, but not to exceed one-sixth of the amount apportioned ~~in for~~ the 1976-1977 school year;

(b) In the 1978-1979 school year, one-third of the amount apportioned, but not to exceed one-third of the amount apportioned ~~in for~~ the 1976-1977 school year;

(c) In the 1979-1980 school year, one-half of the amount apportioned, but not to exceed one-half of the amount apportioned ~~in for~~ the 1976-1977 school year;

(d) In the 1980-1981 school year, two-thirds of the amount apportioned, but not to exceed two-thirds of the amount apportioned ~~in for~~ the 1976-1977 school year; and

(e) In the 1981-1982 school year, five-sixths of the amount apportioned, but not to exceed five-sixths of the amount apportioned ~~in for~~ the 1976-1977 school year.

(3) In the 1982-1983 school year and each school year thereafter, the entire amount of money apportioned to a school district ~~in for~~ that year pursuant to section 124.10, subdivision 2, shall be deducted from the foundation aid earned by that district for the same year.

Sec. 27. Minnesota Statutes, 1977 Supplement, Section 124.212, Subdivision 8a, is amended to read:

Subd. 8a. (1) Notwithstanding any provisions of any other law to the contrary, the adjusted assessed valuation used in calculating foundation aid shall include only that property which is currently taxable in the district. For districts which received payments under sections 124.215, subdivision 2a; 124.25; 124.28; 124.30; 473.633 and 473.635; the foundation aid shall be reduced by: The previous year's payment to the district pursuant to said sections times the ratio of the maximum levy allowed the district under section 275.125, subdivision 2a, to the total levy allowed by section 275.125, but not to exceed 50 percent of the previous year's payment.

(2) For districts which received payments under sections 294.21 to 294.28; 298.23 to 298.28; 298.32; 298.34 to 298.39; 298.391 to 298.396; 298.405; 298.51 to 298.67; any law imposing a tax upon severed mineral values, or under any other law distributing proceeds in lieu of ad valorem tax assessments on copper or nickel properties; the foundation aid shall be reduced in the October adjustment payment by the previous fiscal year's payment to the district pursuant to said sections times the ratio of the maximum levy allowed the district under section 275.125, subdivision 2a, to the total levy allowed by section 275.125 for collection in the calendar year ending during the aforementioned fiscal year, but not to exceed 50 percent of the previous fiscal year's payment *difference between the dollar amount of the payments received pursuant to*

those sections in the fiscal year to which the October adjustment is attributable and the amount which was calculated, pursuant to section 275.125, subdivision 9, as a reduction of the levy attributable to the fiscal year to which the October adjustment is attributable . If the October adjustment of a district's foundation aid for a fiscal year is a negative amount because of this clause, the next fiscal year's foundation aid to that district shall be reduced by this negative amount in the following manner: there shall be withheld from each monthly scheduled foundation aid payment due the district in such fiscal year, 15 percent of the total negative amount, until the total negative amount has been withheld . The amount reduced from foundation aid pursuant to this clause shall be recognized as revenue in the fiscal year to which the October adjustment payment is attributable.

Sec. 28. Minnesota Statutes 1976, Section 124.212, Subdivision 20, is amended to read:

Subd. 20. No adjustments to foundation aid payments resulting from omissions in school district reports, except those adjustments determined by the legislative auditor, shall be made for any school year after December 15 of the next school year. Any school district educating children who are residents of another school district shall notify the district of residence within 60 days of the date the child is determined by the district to be a nonresident, but not later than October 1 following the end of the school year in which the child is educated. If the district of residence does not receive a notification from the providing district pursuant to this subdivision, it shall not be liable to that district for any tuition billing received after October 1 of the next school year. If a commissioner of a state agency, or his representative or agent, or a court of the state of Minnesota desires to place a child in a school district which is not his district of residence, that commissioner or court shall, prior to placement, notify the district of attendance, the district of residence, and the commissioner of education of its intention.

Sec. 29. Minnesota Statutes, 1977 Supplement, Section 124.214, is amended to read:

124.214 [AID ADJUSTMENTS.] Subdivision 1. [OMISSIONS.] No adjustments to any aid payments made pursuant to this chapter, resulting from omissions in school district reports, except those adjustments determined by the legislative auditor, shall be made for any school year after December 15 of the next school year, unless otherwise specifically provided by law.

Subd. 2. [ABATEMENTS.] Whenever by virtue of chapter 278, sections 270.07, 375.192, or otherwise, the assessed valuation of any school district for any taxable year is reduced after the taxes for that year have been spread by the county auditor and whenever the mill rate as determined by the county auditor based upon the original assessed valuation is applied upon such reduced valuations and produces an amount at least \$1,000 less than the full amount of taxes as actually levied and certified for such taxable year upon the original assessed valuation, that school district

may, prior to May 1 of 1978 or February 1 of any year thereafter, certify to the department of revenue the amount of the assessed valuation that was reduced and the amount of the resulting loss of revenue to the school district. Prior to June 1 of 1978 or April 1 of any year thereafter, the equalization aid review committee shall recalculate the adjusted assessed valuation of the taxable property in that district and certify this new valuation to the commissioner of education. The commissioner shall recompute the foundation aid, transportation aid, capital expenditure equalization aid, and post-secondary vocational foundation aid of that district on the basis of the recalculated adjusted assessed valuation. Payment adjustments to the district shall be made as soon as possible, but not later than October 31 of the following fiscal year.

Sec. 30. Minnesota Statutes 1976, Section 124.222, is amended by adding a subdivision to read:

Subd. 2b. For the 1978-1979 school year and thereafter, the state shall pay 50 percent of the cost of the transportation authorized pursuant to section 124.223, clause (9), but not to exceed a cost of \$100 per pupil. Transportation which receives aid pursuant to this subdivision shall not also receive aid pursuant to subdivisions 1a, 1b or 2a.

Sec. 31. Minnesota Statutes, 1977 Supplement, Section 124.222, Subdivision 6, is amended to read:

Subd. 6. [BASE COST ADJUSTMENTS.] For the purposes of payment of transportation aids in the 1978 fiscal year and thereafter, the commissioner of education may adjust the base cost per eligible pupil transported during the 1976 fiscal year to reflect changes in costs resulting from the following:

(a) Alterations in school district boundaries if application is made prior to December 15 of the school year following the year in which the alterations are made;

(b) Omissions in school district reports if application is made prior to December 15, 1977;

(c) The addition by the district of an authorized transportation aid category if that category of transportation was not provided during the 1976 fiscal year if application is made prior to December 15 of the school year following the year in which the additional transportation is provided;

(d) Omissions in school district reports determined by the legislative auditor;

(e) Increased costs resulting from changes in transportation patterns required by a schoolhouse closing provided that (1) the cost increases can be demonstrated to be a direct result of the closing; (2) the increases result in costs above the formula limitation; and (3) application is made prior to December 15 of the school year following the last school year in which the schoolhouse is open ;

(f) Increased costs resulting from changes in transportation patterns caused by a schoolhouse opening provided that (1) the cost increases can be demonstrated to be a direct result of the opening; (2) the increases result in costs above the formula limitation; and (3) application is made prior to December 15, 1978 or December 15 of the school year following the first school year in which the schoolhouse is open, whichever is later.

In the 1978 fiscal year and thereafter, the commissioner shall appropriately adjust the base cost per eligible pupil transported during the 1976 fiscal year to reflect changes in the treatment of depreciation and qualification for depreciation aid resulting from changes in school bus fleet ownership from district owned and managed to privately owned and contracted or from privately owned and contracted to district owned and managed. Districts shall report any such changes to the commissioner within 60 days of the date the changes are made.

Prior to making any base cost change pursuant to this subdivision, the department shall examine the appropriate factors that relate to the determination of the authorized transportation costs and aid for that district.

Sec. 32. Minnesota Statutes, 1977 Supplement, Section 124.223, is amended to read:

124.223 [TRANSPORTATION AID AUTHORIZATION.] For the 1977-1978 school year and thereafter, school transportation and related services for which state transportation aid is authorized are:

(1) Transportation or board of resident pupils who reside one mile or more from the public schools which they could attend, or transportation to, from, or between the schools they attend pursuant to a program approved by the commissioner of education, or who reside one mile or more from a private school actually attended, but only to the extent permitted by sections 123.76 to 123.79 with respect to private school pupils;

(2) Transportation to and from or board and lodging in another district, of resident pupils of a district without a secondary school; the pupils may attend a classified secondary school in another district and shall receive board and lodging in or transportation to and from a district having a classified secondary school at the expense of the district of the pupil's residence;

(3) Transportation to and from a state board approved secondary vocational center for secondary vocational classes for resident pupils of any of the districts who are members of or participating in programs at that center;

(4) Transportation or board and lodging of a handicapped pupil when that pupil cannot be transported on a regular school bus, and the conveying of handicapped pupils between home and school and within the school plant;

(5) When necessary, board and lodging for nonresident handicapped pupils in a district maintaining special classes;

(6) Transportation from one educational facility to another within the district for resident pupils enrolled on a shared time basis in educational programs approved by the commissioner of education;

(7) Transportation for residents to and from the Minnesota school for the deaf or the Minnesota braille and sight-saving school;

(8) Services described in clauses (1) to (7) when provided in conjunction with a state board approved summer school program; and

(9) Transportation to, from or between educational facilities located in any of two or more school districts jointly offering academic classes *approved by the commissioner* for resident pupils of any of these districts ; ~~if this transportation is provided in conjunction with transportation of resident pupils to a state board approved secondary vocational center .~~

Sec. 33. Minnesota Statutes 1976, Chapter 124, is amended by adding a section to read:

[124.311] [TRAVEL AID.] *Subdivision 1. In the 1978-1979 school year and thereafter, the state shall pay to any school district, combination or association of school districts, educational cooperative service unit or cooperative center 50 percent of the costs of necessary travel within the state incurred for accompanying students on an educational project by any teacher, instructor, counselor, advisor, specialist, consultant, nurse, librarian, assistant principal, principal, assistant superintendent, assistant deputy superintendent, deputy superintendent, superintendent, assistant supervisor, supervisor, assistant director, director, executive director, assistant coach, coach, administrator, or any other professional personnel required to hold a license. The governing board of each unit shall determine if the travel is incurred for a valid education purpose.*

Subd. 2. The state shall pay each unit specified in subdivision 1 30 percent of its estimated travel aid on or before the following dates: August 31, December 31, and March 31. The final aid distribution shall be made on or before October 31 of the following school year. All travel aid shall be computed and distributed by the state aids section of the state department of education.

Subd. 3. A district which receives travel aid pursuant to this section shall not receive aid for that same travel pursuant to section 124.573 or 124.574.

Sec. 34. Minnesota Statutes, 1977 Supplement, Section 124.32, Subdivision 1b, is amended to read:

Subd. 1b. (1) For special instruction or training and services provided for any pupil pursuant to section 120.17, subdivision 2, clause (h), by contract with public, private or voluntary agencies other than Minnesota school districts, the state shall pay each district 60 percent of the difference between the amount of the

contract and the foundation aid formula allowance of the district for that pupil or a pro rata portion of the foundation aid formula allowance for pupils who receive services by contract on less than a full time basis.

(2) *For special instruction or training and services provided for a pupil by such a contract as part of a summer school program, the state shall pay each district 60 percent of the difference between the amount of the contract and the foundation aid received by the district for that pupil pursuant to section 124.20, or a pro rata portion of that foundation aid for a pupil who receives services by such a contract on less than a full time summer school basis. This clause shall be effective for the 1977 summer school and thereafter.*

Sec. 35. Minnesota Statutes, 1977 Supplement, Section 124.32, Subdivision 5, is amended to read:

Subd. 5. When a handicapped child is placed in a residential facility approved by the commissioner and established primarily to serve handicapped children and when the child's educational program is approved by the commissioner, the state shall pay to the resident district not to exceed 60 percent of the difference between the instructional costs charged to the resident district ; less and the foundation aid formula allowance in the resident district , for each handicapped child placed in a residential facility. Not more than ~~\$500,000~~ \$550,000 for 1977-1978 and \$600,000 for 1978-1979 shall be paid for the purposes of this subdivision. If that amount does not suffice, the aid shall be prorated among all qualifying districts.

The following types of facilities may be approved by the commissioner:

(a) A residential facility operated by *the state* or a public school district and designed to serve the low incidence handicapped, the multiple handicapped, or the most severely handicapped children ; either within or outside of the state ; or a state residential school outside of the state .

(b) A private, nonsectarian residential facility designed to provide educational services for handicapped children either within or outside of the state.

(c) A state hospital or private nonsectarian residential center designed to provide care and treatment for handicapped children.

Sec. 36. Minnesota Statutes, 1977 Supplement, Section 124.32, Subdivision 7, is amended to read:

Subd. 7. Before May 1 of each year, each district providing special instruction and services to handicapped children shall submit to the commissioner an application for approval of these programs and their budgets for the next school year. The application shall include an enumeration of the costs proposed as eligible for state aid pursuant to this section and of the estimated number and grade level of handicapped children in the district who will re-

ceive special instruction and services during the next school year. The application shall also include any other information deemed necessary by the commissioner for the calculation of state aid and for the evaluation of the necessity of the program, the necessity of the personnel to be employed in the program, *the necessity of state aids for the conduct of the program*, and the program's compliance with the rules and standards of the state board. The commissioner shall review each application in order to determine whether the program and the personnel to be employed in the program are actually necessary and essential to meet the district's obligation to provide special instruction and services to handicapped children pursuant to section 120.17. The commissioner shall not approve aid pursuant to this section for any program or for the salary of any personnel he determines to be unnecessary or unessential on the basis of this review. *The commissioner may also disapprove all or any portion of the aid for programs funded by any sources of public funds other than state foundation aid and school district levy receipts.* On or before July 1 of each year, the commissioner shall approve, disapprove or modify each application, and notify each applying district of his action and of the estimated amount of aid for the programs. The commissioner shall provide procedures for districts to submit additional applications for program and budget approval during the school year, for programs needed to meet any substantial changes in the needs of handicapped children in the district.

Sec. 37. Minnesota Statutes, 1977 Supplement, Section 124.562, Subdivision 1, is amended to read:

124.562 [POST-SECONDARY VOCATIONAL FOUNDATION AID.] Subdivision 1. A district shall receive post-secondary vocational foundation aid in the amount of \$2,120 for fiscal year 1978 and \$2,240 for fiscal year 1979, times the number of post-secondary vocational-technical pupils in average daily membership, as defined in subdivision 2, less the sum of (1) any amounts received as tuition and fees for post-secondary vocational-technical pupils, *including application fees but not including student activity fees allowed pursuant to section 121.216*, (2) the amount raised by the ~~minimum~~ *discretionary* levy required allowed by section 275.125, subdivision 13, for collection in the calendar year ending in that fiscal year, and (3) any amounts received for post-secondary vocational programs as federal vocational categorical aid and as special grants from state allocations of federal vocational funds, unless these grants are used to fund additional services beyond the normal program.

Sec. 38. Minnesota Statutes, 1977 Supplement, Section 124.563, Subdivision 1, is amended to read:

124.563 [POST-SECONDARY VOCATIONAL CATEGORICAL AND CAPITAL EXPENDITURE AID.] Subdivision 1. "Post-secondary vocational categorical aid" means all state and federal funds, exclusive of post-secondary vocational foundation, capital expenditure and debt service aid, apportioned by the state board for vocational education to local school districts for the

purpose of assisting in the conduct of post-secondary vocational-technical training. ~~No district shall qualify for post-secondary vocational categorical aid unless it has certified the minimum levy required by section 275.125, subdivision 13.~~ This aid shall be given to districts conducting high cost programs which require funds in addition to the post-secondary vocational foundation aid provided, including vocational education programs for handicapped or disadvantaged persons and support services necessary to provide vocational education in the least restrictive setting possible. Post-secondary vocational categorical aid shall not be allocated by the state board or expended by a district for any of the purposes for which post-secondary vocational capital expenditure aid is allocated or expended.

Sec. 39. Minnesota Statutes 1976, Section 124.563, Subdivision 2, is amended to read:

Subd. 2. "Post-secondary vocational capital expenditure aid" means state and federal funds exclusive of post-secondary vocational foundation, categorical and debt service aid, apportioned by the state board for vocational education to local school districts for the purpose of improving or repairing school sites or equipping, re-equipping, repairing or improving buildings and permanent attached fixtures, as necessary for the conduct of post-secondary vocational-technical training. ~~No district shall qualify for post-secondary vocational capital expenditure aid unless it has certified the minimum levy required by section 275.125, subdivision 13.~~ Post-secondary vocational capital expenditure aid shall be utilized solely for the purposes enumerated in this subdivision.

Sec. 40. Minnesota Statutes 1976, Section 124.565, is amended by adding a subdivision to read:

Subd. 6. Notwithstanding the provisions of subdivisions 3 and 5 of this section, there shall be no charge for tuition at a post-secondary vocational-technical school for any person who (1) entered active military service in any branch of the armed forces of the United States before July 1, 1977, (2) was a Minnesota resident at the time of induction into the armed forces and had been a Minnesota resident during the six months immediately preceding induction, (3) is separated or discharged from active military service under conditions other than dishonorable prior to July 1, 1981, and (4) applies for admission to the school before his 29th birthday. Time after separation or discharge from military service spent as an inpatient in a hospital or similar institution for treatment of an illness or disability or in recovery from an illness or disability that prevents gainful occupation or study shall be added to the time allowed for application.

Sec. 41. Minnesota Statutes, 1977 Supplement, Section 124.572. Subdivision 3, is amended to read:

Subd. 3. This aid shall be paid only for services rendered or for travel costs incurred in adult vocational education programs approved by the state department of education and operated in accordance with rules promulgated by the state board; provided,

in 1977-78 the department may pay this aid for programs operated in accordance with the state plan for vocational education and current state board rules. By 1978-1979, these rules shall provide minimum student-staff ratios required for an adult vocational education program to qualify for this aid. ~~Except as provided in section 125.185, subdivision 4,~~ By 1978-1979, rules relating to adult vocational education programs shall not incorporate the provisions of the state plan for vocational education by reference.

Sec. 42. Minnesota Statutes, 1977 Supplement, Section 124.573, Subdivision 2, is amended to read:

Subd. 2. In the 1978-1979 school year and thereafter, the state shall pay to any district or cooperative center 50 percent of the salaries paid to essential, licensed personnel in that school year for services rendered in that district's or center's secondary vocational education programs. In addition, the state shall pay 50 percent of the costs of necessary equipment for these programs and 50 percent of the costs of necessary travel between instructional sites by secondary vocational education teachers. *Aid shall be allowed for travel to and from local, regional, district or state vocational student organization meetings by secondary vocational education teachers accompanying student members of that organization on an educational project.* The aid paid by the state for salaries, equipment and travel pursuant to this subdivision shall be reduced by any authorized federal vocational aid funds paid by the department to that district or center for secondary vocational education programs.

Sec. 43. Minnesota Statutes, 1977 Supplement, Section 124.573, Subdivision 3, is amended to read:

Subd. 3. This aid shall be paid only for services rendered or for the costs designated in subdivision 2 which are incurred in secondary vocational education programs approved by the state department of education and operated in accordance with rules promulgated by the state board. These rules shall provide minimum student-staff ratios required for a secondary vocational education program in a cooperative center to qualify for this aid, but shall not require any minimum number of program offerings or administrative staff, *any minimum period of coordination time or extended employment for secondary vocational education personnel,* or the availability of vocational student activities or organizations for a secondary vocational education program to qualify for this aid. The requirement in these rules that program components be available for a minimum number of hours shall not be construed to prevent pupils from enrolling in secondary vocational education courses on an exploratory basis for less than a full school year. *No rules promulgated by the state board pursuant to any statute shall require a district to offer secondary vocational education.* ~~Except as provided in section 125.185, subdivision 4,~~ Rules relating to secondary vocational education programs shall not incorporate the provisions of the state plan for vocational education by reference. This aid shall be paid only for services rendered and for travel costs in-

curred by essential, licensed personnel who meet the work experience requirements for licensure pursuant to the state plan for vocational education.

Sec. 44. Minnesota Statutes, 1977 Supplement, Section 124.573, is amended by adding a subdivision to read:

Subd. 3a. In addition to the provisions of subdivisions 2 and 3 of this section, a school district or cooperative center may contract with a public or private agency other than a Minnesota school district or cooperative center for the provision of secondary vocational education services. In the 1978-1979 school year and thereafter, the state shall pay each district or cooperative center 40 percent of the amount of a contract entered into pursuant to this subdivision. The state board shall promulgate rules relating to program approval procedures and criteria for these contracts and aid shall be paid only for contracts approved by the commissioner of education. For the purposes of subdivision 4, the district or cooperative center contracting for these services shall be construed to be providing the services. For the purposes of subdivision 5, aid for these contracts shall be distributed on the same basis as aids for salaries and travel.

Sec. 45. Minnesota Statutes 1976, Chapter 124, is amended by adding a section to read:

[124.574] [SECONDARY VOCATIONAL EDUCATION FOR HANDICAPPED CHILDREN.] *Subdivision 1. The purpose of this section is to provide a method to fund programs for secondary vocational education for handicapped children which would otherwise qualify for aid under the provisions of sections 124.32 or 124.573. As used in this section, the term "handicapped children" shall have the meaning ascribed to it in section 120.03.*

Subd. 2. In the 1978-1979 school year and thereafter, the state shall pay to any district or cooperative center the greater of:

(a) 50 percent of the salaries paid to essential licensed personnel in that school year for services rendered in that district's or center's secondary vocational education programs for handicapped children; or

(b) 65 percent of the salaries paid to essential licensed personnel in that school year for services rendered in that district's or center's secondary vocational education programs for handicapped children, but not to exceed \$12,000 for the normal school year for each such full time person employed, or a pro rata amount for a part time person or a person employed for a limited time; plus an additional five percent of the salaries paid such essential licensed personnel.

Subd. 3. In addition to the provisions of subdivision 2, the state shall pay:

(a) 50 percent of the costs of necessary equipment for these secondary vocational education programs for handicapped children;

(b) 50 percent of the costs of necessary travel between instructional sites by secondary vocational education teachers of handicapped children, including travel by those teachers to and from local, regional, district or state vocational student organization meetings when accompanying student members of that organization on an educational project; and

(c) 50 percent of the costs of necessary supplies for these secondary vocational education programs for handicapped children, but not to exceed an average of \$50 in any one school year for each handicapped child receiving these services.

Subd. 4. In addition to the provisions of subdivisions 2 and 3 of this section, a school district may contract with a public or private agency other than a Minnesota school district or cooperative center for the provision of secondary vocational education programs for handicapped children. The formula for payment of aids for these contracts in the 1978-1979 school year and thereafter shall be that provided in section 124.32, subdivision 1b. The state board shall promulgate rules relating to approval procedures and criteria for these contracts and aid shall be paid only for contracts approved by the commissioner of education. For the purposes of subdivision 6 of this section, the district or cooperative center contracting for these services shall be construed to be providing these services. For the purposes of subdivision 8 of this section, aid for these contracts shall be distributed on the same basis as aids for salaries, supplies and travel.

Subd. 5. The aid provided pursuant to this section shall be paid only for services rendered as designated in subdivision 2 or for the costs designated in subdivision 3 which are incurred in secondary vocational education programs for handicapped children which are approved by the commissioner of education and operated in accordance with rules promulgated by the state board. These rules shall be subject to the restrictions provided in section 124.573, subdivision 3. The procedure for application for approval of these programs shall be as provided in section 124.32, subdivisions 7 and 10 and the application review process shall be conducted jointly by the division of special and compensatory education and the division of vocational-technical education of the state department.

Subd. 6. All aid pursuant to this section shall be paid to the district or cooperative center providing the services. All aid received by a district or center from any source for secondary vocational education for handicapped children shall be utilized solely for that purpose.

Subd. 7. A district shall not receive aid pursuant to section 124.32 or section 124.573 for salaries, supplies, travel or equipment for which the district receives aid pursuant to this section.

Subd. 8. All aid pursuant to this section shall be distributed at the same times and in the same manner as provided in section 124.573, subdivision 5. Aid for supplies shall be distributed at the same time as aid for salaries and travel.

Sec. 46. Minnesota Statutes 1976, Section 125.12, Subdivision 6a, is amended to read:

Subd. 6a. [NEGOTIATED UNREQUESTED LEAVE OF ABSENCE.] The school board and the exclusive bargaining representative of the teachers may negotiate a plan providing for unrequested leave of absence without pay or fringe benefits for as many teachers as may be necessary because of discontinuance of position, lack of pupils, financial limitations, or merger of classes caused by consolidation of districts. Failing to successfully negotiate such a plan by the beginning date of a new master contract, the provisions of subdivision 6b shall apply. The provisions of section 179.72 shall not apply for the purposes of this subdivision.

Sec. 47. Minnesota Statutes 1976, Section 125.12, Subdivision 6b, is amended to read:

Subd. 6b. [UNREQUESTED LEAVE OF ABSENCE.] The school board may place on unrequested leave of absence, without pay or fringe benefits, as many teachers as may be necessary because of discontinuance of position, lack of pupils, financial limitations, or merger of classes caused by consolidation of districts. The unrequested leave shall be effective at the close of the school year. In placing teachers on unrequested leave, the board shall be governed by the following provisions:

(a) The board may place probationary teachers on unrequested leave first in the inverse order of their employment. No teacher who has acquired continuing contract rights shall be placed on unrequested leave of absence while probationary teachers are retained in positions for which the teacher who has acquired continuing contract rights is certified;

(b) Teachers who have acquired continuing contract rights shall be placed on unrequested leave of absence in fields in which they are certified in the inverse order in which they were employed by the school district. In the case of merger of classes caused by consolidation of districts or in the case of equal seniority, the order in which teachers who have acquired continuing contract rights shall be placed on unrequested leave of absence in fields in which they are certified shall be negotiable;

(c) Notwithstanding clauses (a) and (b), if either the placing of a probationary teacher on unrequested leave before a teacher who has acquired continuing rights or the placing of a teacher who has acquired continuing contract rights on unrequested leave before another teacher who has acquired continuing contract rights but who has greater seniority would place the district in violation of its affirmative action program, the district may retain the probationary teacher or the teacher with less seniority;

(d) Teachers placed on unrequested leave of absence shall be reinstated to the positions from which they have been given leaves of absence or, if not available, to other available positions in the school district in fields in which they are certified. Reinstatement shall be in the inverse order of placement on leave of absence. The order of reinstatement of teachers who have equal seniority and who are placed on unrequested leave in the same school year shall be negotiable;

(e) Teachers, other than probationary teachers, terminated under Minnesota Statutes 1971, Section 125.12, Subdivision 6, Clause (e), in the 1973-74 school year shall be reinstated to the positions from which they have been terminated or, if not available, to other available positions in the school district in fields in which they are certified. Reinstatement shall be in the order of seniority. The order of reinstatement of continuing contract teachers who have equal seniority and who are terminated under Minnesota Statutes 1971, Section 125.12, Subdivision 6, Clause (e) in the 1973-74 school year shall be negotiable. These teachers shall also be subject to clauses (f), (g), (h), (i), and (k) of this subdivision.

(f) No appointment of a new teacher shall be made while there is available, on unrequested leave, a teacher who is properly certified to fill such vacancy, unless the teacher fails to advise the school board within 30 days of the date of notification that a position is available to him, that he may return to employment and that he will assume the duties of the position to which appointed on a future date determined by the board;

(g) A teacher placed on unrequested leave of absence may engage in teaching or any other occupation during the period of this leave;

(h) The unrequested leave of absence shall not impair the continuing contract rights of a teacher or result in a loss of credit for previous years of service;

(i) The unrequested leave of absence of a teacher *who is placed on unrequested leave of absence prior to January 1, 1978 and who is not reinstated shall continue for a period of two years after which the right to reinstatement shall terminate; the unrequested leave of absence of a teacher who is placed on unrequested leave of absence on or after January 1, 1978 and who is not reinstated shall continue for a period of five years, provided the teacher files with the board by April 1 each year a written statement requesting reinstatement, after which the right to reinstatement shall terminate;*

(j) The same provisions applicable to terminations of probationary or continuing contracts in subdivisions 3 and 4 shall apply to placement on unrequested leave of absence;

(k) Nothing in this subdivision shall be construed to impair the rights of teachers placed on unrequested leave of absence to receive unemployment compensation if otherwise eligible.

Sec. 48. Minnesota Statutes 1976, Section 125.185, Subdivision 4, is amended to read:

Subd. 4. The board shall develop and create rules for the licensure of public school teachers and interns, which shall be submitted to the state board of education for approval, and from time to time the board of teaching shall revise or supplement the rules for licensure of public school teachers subject to approval by the state board of education. It shall be the duty of the board of teaching to establish rules for the approval of teacher educa-

tion programs subject to approval by the board of education. Subject to rules approved by the board of education, the board of teaching shall also grant licenses to interns and to candidates for original licenses and receive recommendations from local committees as established by the board of teaching for the renewal of teaching licenses, to grant life licenses to those who qualify according to requirements established by the board of teaching, and suspend or revoke licenses pursuant to sections 125.09 and 214.10. With regard to vocational education teachers the board of teaching shall adopt and maintain as its rules the *rules of the state plan board* for vocational education.

In the event the state board of education disapproves any proposal from the board of teaching, it shall give written notice of such disapproval within 60 days after the receipt of the proposal including its reasons. Any proposal disapproved by the state board may be resubmitted by the board of teaching at any time after the expiration of 45 days after the date of disapproval.

Sec. 49. Minnesota Statutes 1976, Section 125.185, is amended by adding a subdivision to read:

Subd. 4a. Prior to the adoption by the board of teaching of any rule which must be submitted to public hearing and to the state board of education for approval, a representative of the commissioner shall appear before the board of teaching and at the hearing required pursuant to section 15.0412, subdivision 4, to comment on the cost and educational implications of that proposed rule. If the representative of the commissioner does not carry out the duties required by this subdivision, the state board of education shall approve that rule of the board of teaching as submitted.

Sec. 50. Minnesota Statutes, 1977 Supplement, Section 125.60, Subdivision 2, is amended to read:

Subd. 2. Upon the request of a teacher who meets the qualifications of this section which is made prior to July 1 for the next school year, the board of any district may shall grant an extended leave of absence without salary to any full time elementary or secondary school teacher who has been employed by the district for at least ten but no more than 20 years of allowable service, as defined in section 354.05, subdivision 13, or the by-laws of the appropriate retirement association, and who has not attained the age of 55 years or over. However, a school district may deny a request for an extended leave of absence if the board determines that the leave would not produce a cost savings to the district or would produce a hardship for the district due to its inability to find an adequate replacement. If a teacher's request is denied, this denial shall be subject to the grievance procedure established pursuant to section 179.70 or pursuant to the grievance procedure specified in the collective bargaining agreement in force in that district. Extended leaves of absence pursuant to this section shall not exceed five years in duration. An extended leave of absence pursuant to this section shall be taken by mutual consent of the board and the teacher and may be granted only once.

Sec. 51. Minnesota Statutes, 1977 Supplement, Section 125.61, Subdivision 1, is amended to read:

125.61 [TEACHER EARLY RETIREMENT INCENTIVE PROGRAM.] Subdivision 1. For purposes of this section, "teacher" means a teacher as defined in section 125.03, subdivision 1, who is employed in the public elementary or secondary schools in the state, who has not less than 15 *total* years of full time teaching service ~~therein~~, and who has or will have attained the age of 55 years but less than 65 years as of the end of the school year during which an application for an early retirement incentive is made.

Sec. 52. Minnesota Statutes, 1977 Supplement, Section 125.61, Subdivision 2, is amended to read:

Subd. 2. A teacher meeting the requirements of subdivision 1 may be offered a contract for termination of services and payment of an early retirement incentive by the employing school district. An offer may be accepted by the teacher by submitting a written resignation to the school board of the employing district. Applications shall be submitted prior to ~~July 1, 1977~~ *March 1, 1978* in the case of a teacher retiring at the end of the ~~1977-78~~ *1976-1977* school year, prior to May 1, 1978 in the case of a teacher retiring at the end of the ~~1978-79~~ *1977-1978* school year, or, thereafter, prior to May 1 of the year ~~immediately preceding~~ the school year at the end of which the teacher wishes to retire.

Sec. 53. Minnesota Statutes 1976, Section 126.12, is amended to read:

126.12 [LENGTH OF SCHOOL YEAR.] The school shall be in session for not less than a minimum term, as defined by the ~~state board in section 124.19~~, but this provision shall not apply to night schools ~~or kindergartens~~. Every Saturday shall be a school holiday, *except that school may be held on a Saturday if necessary to meet the requirement in section 124.19 of making a good faith attempt to make up time lost on account of circumstances which were beyond the control of the school board*. The school board shall determine the number of school days of each school year on or before April 1 of the calendar year in which such school year commences.

Sec. 54. Minnesota Statutes 1976, Section 127.25, Subdivision 1, is amended to read:

127.25 [APPEALS.] Subdivision 1. Any district ~~or any person~~ aggrieved by final order of the county board ~~or final order of the commissioner~~, or final order of the county auditor, made pursuant to the provisions of this code, may appeal from such final order to the district court upon the following grounds:

(1) That the county board, ~~the commissioner~~, or the county auditor had no jurisdiction to act;

(2) That the county board, ~~the commissioner~~, or the county auditor exceeded its jurisdiction;

(3) That the action appealed from is arbitrary, fraudulent, capricious or oppressive or in unreasonable disregard of the best interest of the territory affected;

(4) That the order of action appealed from is based upon an erroneous theory of law.

An appeal from a final order of a county board or the county auditor shall be taken by serving a notice of appeal upon the county auditor. ~~An appeal from a final order of the commissioner shall be taken by serving a notice of appeal upon the commissioner.~~ An appeal from a final order of a county board or a county auditor shall be taken to the district court in the county of the board or auditor. ~~An appeal from a final order of the commissioner shall be taken to the district court for Ramsey county.~~ Notice of appeal must be served within 30 days of the issuance of the order appealed from and shall be accompanied by a corporate surety bond in the amount of \$250, conditioned for the payment of all costs taxed against appellant on such appeal. The notice of appeal shall be filed with the clerk of the district court and noticed for hearing in the manner provided for the trial of civil actions by Minnesota rules of civil procedure.

~~Any order of the commissioner or the state board rejecting a consolidation plat shall be deemed a final order for the purposes of this section.~~ In an appeal from an order of a county auditor effecting a consolidation the action of the commissioner or the state board approving the plat is reviewable and the commissioner may be called by either party as a witness in such appeal proceedings and may be examined under the rules of civil procedure relating to the cross-examination of adverse parties.

Sec. 55. Minnesota Statutes 1976, Section 127.25, Subdivision 2, is amended to read:

Subd. 2. Any school district or any person affected by final order of the county board ~~or final order of the commissioner~~ or final order of the county auditor shall be permitted to intervene in appeals under this section as a party respondent.

Sec. 56. Minnesota Statutes 1976, Section 127.25, is amended by adding a subdivision to read:

Subd. 4. Unless otherwise provided by law, any school district or any person aggrieved by a final order of the commissioner made pursuant to provisions of this code may proceed under the provisions of sections 15.0418 to 15.0426.

Sec. 57. Minnesota Statutes 1976, Section 128A.02, is amended by adding a subdivision to read:

Subd. 5. The state board of education may by agreement with teacher preparing institutions or accredited institutions of higher education arrange for practical experience in the Minnesota school for the deaf and the Minnesota braille and sight-saving school for practice or student teachers, or for other students engaged in fields of study which prepare professionals to provide special services to handicapped children in school programs, who have

completed not less than two years of an approved program in their respective fields. These student trainees shall be provided with appropriate supervision by a teacher licensed by the board of teaching or by a professional licensed or registered in the appropriate field of special services and shall be deemed employees of the school for the deaf or the braille and sight-saving school, as applicable, for purposes of worker's compensation.

Sec. 58. Minnesota Statutes 1976, Section 128A.03, Subdivision 2, is amended to read:

Subd. 2. Each advisory council shall consist of *seven eight* members. The members shall be representative of the various geographic regions of the state, shall include parents or guardians of visually disabled or hearing impaired children, *shall include a staff representative of the applicable school,* and shall include two representatives from groups representing the interests of visually disabled or hearing impaired individuals, as applicable. All members shall have knowledge, experience and interest in the problems of visually disabled or hearing impaired children.

Sec. 59. Minnesota Statutes 1976, Section 134.03, is amended to read:

134.03 [TAX LEVY.] In cities of less than 2,000 inhabitants not levying a tax for public library purposes, the school board may maintain a public library for the use of all residents of the district and provide ample and suitable rooms for its use in the school buildings and in any independent school district embracing any such city, where a library building has been erected with funds donated for library purposes, the school district may levy an annual tax of not more than one mill, the proceeds of which tax shall be used for the support and maintenance of this library and known as the "library fund." or the district.

Upon a library being so established in any such school district, whose library building has been erected with funds acquired by gift or donation, the school board is empowered to appoint a library board of nine members, of which each member of the school board shall be a member ex officio.

The remaining members of such library board shall be appointed by the school board, one of which remaining members shall hold office for one year, one for two years, and one for three years *if the school board has only six members*, from the first Saturday of September following their appointment, the term of office of each being specified in such appointment; annually thereafter, such school board shall appoint a member of the library board for the term of three years and until his successor shall qualify. Such school board may remove any member so appointed for misconduct or neglect. Vacancies in such board shall be filled by appointment for the unexpired term. Members of such board shall receive no compensation for their services as such.

Immediately after appointment, such board shall organize by electing one of its members as president and one as secretary and from time to time it may appoint such other officers and em-

ployees as it deems necessary. The secretary, before entering upon his duties, shall give bond to the school district in an amount fixed by the library board, conditioned for the faithful discharge of his official duties. The library board shall adopt such bylaws and regulations for the government of the library and reading-room and for the conduct of its business as may be expedient and conformable to law. It shall have exclusive control of the expenditures of all money collected for, or placed to the credit of, the library funds, and of the rooms and buildings provided for library purposes. All moneys received for such library fund shall be kept in the treasury of the school district, credited to the library fund, and be paid out only upon itemized vouchers approved by the library board. The library board may fix the compensation of employees and remove any of them at pleasure.

All books or other property given, granted, conveyed, donated, devised, or bequeathed to, or purchased by, such library shall vest in, and be held in the name of, such school district. Every library and reading-room established hereunder shall be free to the use of the inhabitants of the school district, subject to such reasonable regulations as the directors may adopt.

When so established, no such library shall be abandoned without a two-thirds majority vote of the electors cast at any annual or special school meeting called for the purpose.

When so established, in cases where the building has been erected with funds so donated, no such library shall be abandoned without a two-thirds majority vote of the electors cast at any annual or special school meeting called for the purpose.

Sec. 60. Minnesota Statutes, 1977 Supplement, Section 176.011, Subdivision 9, is amended to read:

Subd. 9. [EMPLOYEE.] "Employee" means any person who performs services for another for hire; and includes the following:

- (1) an alien;
- (2) a minor;
- (3) a sheriff, deputy sheriff, constable, marshal, policeman, fireman, a county highway engineer, and a peace officer while engaged in the enforcement of peace or in and about the pursuit or capture of any person charged with or suspected of crime;
- (4) a county assessor;
- (5) an elected or appointed official of the state, or of any county, city, town, school district or governmental subdivision therein but an officer of a political subdivision elected or appointed for a regular term of office or to complete the unexpired portion of any such regular term, shall be included only after the governing body of the political subdivision has adopted an ordinance or resolution to that effect;
- (6) an executive officer of a corporation except an officer of a family farm corporation as defined in section 500.24, subdivision 1, clause (c);

(7) a voluntary uncompensated worker, other than an inmate, rendering services in state institutions under the commissioner of public welfare and state institutions under the commissioner of corrections similar to those of officers and employees of such institutions, and whose services have been accepted or contracted for by the commissioner of public welfare or the commissioner of corrections as authorized by law, shall be employees within the meaning of this subdivision. In the event of injury or death of any such voluntary uncompensated worker, the daily wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of such injury or death for similar services in institutions where such services are performed by paid employees;

(8) a voluntary uncompensated worker engaged in peace time in the civil defense program when ordered to training or other duty by the state or any political subdivision thereof, shall be employees. The daily wage of the worker for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of such injury or death for similar services where such services are performed by paid employees;

(9) a voluntary uncompensated worker participating in a program established by a county welfare board shall be an employee within the meaning of this subdivision. In the event of injury or death of any such voluntary uncompensated worker, the wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid in the county at the time of such injury or death for similar services where such services are performed by paid employees working a normal day and week;

(10) a voluntary uncompensated worker accepted by the commissioner of natural resources who is rendering services as a volunteer pursuant to section 85.041 shall be an employee. The daily wage of the worker for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of injury or death for similar services where such services are performed by paid employees.

(11) a member of the military forces, as defined in section 190.05, while in "active service" or "on duty" as defined in section 190.05, when the service or duty is ordered by state authority. The daily wage of the member for the purpose of calculating compensation payable under this chapter shall be based on the member's usual earnings in civil life. If there is no evidence of previous occupation or earning, the trier of fact shall consider the member's earnings as a member of the military forces;

(12) a voluntary uncompensated worker, accepted by the director of the Minnesota historical society, rendering services as a volunteer, pursuant to chapter 138, shall be an employee. The daily wage of the worker, for the purposes of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of injury or death for similar services where such services are performed by paid employees . ;

(13) *a voluntary uncompensated worker, other than a student who renders services at the Minnesota school for the deaf or the Minnesota braille and sight-saving school, and whose services have been accepted or contracted for by the state board of education, as authorized by law, shall be an employee within the meaning of this subdivision. In the event of injury or death of any such voluntary uncompensated worker, the daily wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of such injury or death for similar services in institutions where such services are performed by paid employees.*

In the event it is difficult to determine the daily wage as herein provided, then the trier of fact may determine the wage upon which the compensation is payable.

Sec. 61. Minnesota Statutes, 1977 Supplement, Section 275.07 is amended to read:

275.07 [CITY, TOWN AND SCHOOL DISTRICT TAXES.] *Subdivision 1. The taxes voted by cities, towns, and school districts shall be certified by the proper authorities to the county auditor on or before October tenth in each year. If a city, town, county, school district or special district fails to certify its levy by that date, its levy shall be the amount levied by it for the preceding year. If the local unit notifies the commissioner of revenue before October tenth of its inability to certify its levy by that date, and the commissioner is satisfied that the delay is unavoidable and is not due to the negligence of the local unit's officials or staff, the commissioner shall extend the time within which the local unit shall certify its levy.*

Subd. 2. In school districts lying in more than one county, the clerk shall certify the tax levied to the auditor of the county in which the administrative offices of the school district are located.

Sec. 62. Minnesota Statutes, 1977 Supplement, Section 275.124 is amended to read:

275.124 [REPORT OF CERTIFIED LEVY.] *Prior to March February 1 of each year, each county auditor shall report to the commissioner of education on forms furnished by the commissioner, the amount of the certified levy made by each school district within the county which has taxable property and any other information concerning these levies that is deemed necessary by the commissioner.*

Sec. 63. Minnesota Statutes, 1977 Supplement, Section 275.125. Subdivision 2a, is amended to read:

Subd. 2a. (1) *In 1977, a school district may levy for all general and special school purposes, an amount equal to the amount raised by 28 mills times the 1976 adjusted assessed valuation of the district.*

(2) *In 1978, a school district may levy for all general and special school purposes, an amount equal to the amount raised by 27 mills times the 1977 adjusted assessed valuation of the district.*

(3) For any district levying less than 95 percent of the maximum levy allowable in clauses (1) and (2), beginning with the levy certified in 1976 1978 , payable in 1977 1979 , the foundation aid to the district for the 1977-1978 1979-1980 school year, and for subsequent levies, foundation aid for subsequent school years, calculated pursuant to section 124.212, shall be reduced by 50 percent of the *to an amount of equal to the difference ratio* between the actual levy and the maximum levy allowable under clauses (1) and (2) *times the foundation aid to which the district is otherwise entitled for that year* . In the application of this clause, the maximum levy allowable under clauses (1) and (2) shall be reduced by any reduction of this levy which is required by section 275.125, subdivision 9 or any other law.

(4) (a) The levy authorized by clauses (1) or (2) may be increased in any amount which is approved by the voters of the district at a referendum called for the purpose. Such a referendum may be called by the school board or shall be called by the school board upon written petition of qualified voters of the district. The referendum shall be held on a date set by the school board. Only one such election may be held to approve a levy increase which will commence in a specific school year. The question on the ballot shall state the maximum amount of the increased levy in mills, the amount that will be raised by that millage in the first year it is to be levied, and that the millage shall be used to finance school operations. The question may designate a specific number of years for which the referendum authorization shall apply. If approved, the amount provided by the approved millage applied to each year's taxable valuation shall be authorized for certification for the number of years approved, if applicable, or until revoked by the voters of the district at a subsequent referendum.

(b) A referendum on the question of revoking the increased levy amount authorized pursuant to clause (a) of this clause may be called by the school board and shall be called by the school board upon the written petition of qualified voters of the district. The amount approved by the voters of the district pursuant to clause (a) of this clause must be levied at least once before it is subject to a referendum on its revocation for subsequent years. Only one such revocation election may be held to revoke a levy for any specific year and for years thereafter.

(c) A petition authorized by clauses (a) or (b) of this clause shall be effective if signed by a number of qualified voters in excess of 15 percent, or 10 percent if the school board election is held in conjunction with a general election, of the average number of voters at the two most recent district wide school elections. A referendum invoked by petition shall be held within three months of submission of the petition to the school board.

(d) Notwithstanding any law to the contrary, the approval of 50 percent plus one of those voting on the question is required to pass a referendum.

(e) Within 30 days after the district holds a referendum pur-

suant to this clause, the district shall notify the commissioner of education of the results of the referendum.

Sec. 64. Minnesota Statutes 1976, Section 275.125, is amended by adding a subdivision to read:

Subd. 2b. (1) Beginning in 1978, in any year when the amount of the maximum levy allowed for any district by section 275.125, subdivision 2a, clause (1) or (2), exceeds the product of the district's foundation aid formula allowance under section 124.212 for the corresponding school year times the number of pupil units computed for that district under section 124.17 for that school year, the levy permitted that district by section 275.125, subdivision 2a, clause (1) or (2) shall be limited to 107 percent of the sum of the following, but not to exceed the number of mills permitted under section 275.125, subdivision 2a, clause (1) or (2):

(a) the product of the district's foundation aid formula allowance under section 124.212 for the school year in which the levy is certified times the number of pupil units computed for that district under sections 124.17 for the school year in which the levy is certified; plus the district's estimated aid entitlement pursuant to section 124.20 for the summer school which begins in the school year in which the levy is certified; plus

(b) that district's entitlement, for the year in which the levy is certified, for transportation aid pursuant to section 124.222, special education aid pursuant to section 124.32, secondary vocational aid pursuant to section 124.573 and secondary vocational aid for handicapped children pursuant to section 124.574.

(2) If a district levies the full 107 percent of its entitlement under clause (1) for a school year and that amount is less than the aid to which the district would actually have been entitled under sections 124.212, 124.20, 124.222, 124.32, 124.573 or 124.574, the district may adjust its levies in the succeeding years to make up this difference. The amount by which the district is allowed to adjust its levies in the succeeding years pursuant to this clause shall be recorded as a receivable in the school year to which the aids are attributable.

(3) If a district levies pursuant to clause (1) for a school year and the amount levied is greater than the aid to which the district would actually have been entitled under sections 124.212, 124.20, 124.222, 124.32, 124.573 or 124.574, the district shall reduce its levies in the succeeding years by the amount of this difference.

(4) However, if the amount of the difference in clause (2), when calculated as an addition to the original levy for that year, would have exceeded the millage limitation in section 275.125, subdivision 2a, clause (1) or (2) in that year, the state shall pay the amount of aid to which the district is entitled for that school year which exceeds the amount attributable to that aid for which it could have levied for that year pursuant to this subdivision.

(5) If the district is unable to levy the full 107 percent of its entitlement for a school year because of the millage limitation in

section 275.125, subdivision 2a, clause (1) or (2), the state shall pay the amount of aid under sections 124.212, 124.20, 124.222, 124.32, 124.573 or 124.574 to which the district is entitled for that school year which exceeds the amount attributable to that aid for which it was allowed to levy pursuant to this subdivision.

(6) Prior to the certification of levies, the commissioner of education shall notify an applicable district that it is subject to the levy limitation of this subdivision and of its estimated entitlements pursuant to sections 124.212, 124.20, 124.222, 124.32, 124.573 and 124.574. The commissioner shall decide that a district is subject to this levy limitation if it appears reasonably certain that the maximum levy allowed that district pursuant to section 275.125, subdivision 2a, clause (1) or (2) will exceed the district's foundation aid formula allowance times the number of pupil units computed for that district under section 124.17 for that corresponding year. If, upon the order of the commissioner, the district levies pursuant to this subdivision but the maximum levy allowed that district pursuant to section 275.125, subdivision 2a, clause (1) or (2) would not actually have exceeded the district's foundation aid formula allowance times the number of pupil units computed for that district under section 124.17 for that corresponding year, the district shall reduce its levy for the next year by the amount by which the levy certified pursuant to this subdivision exceeded the amount the district could have levied under subdivision 2a, clause (1) or (2). Also in that case, the district shall receive all aids from the state pursuant to sections 124.212, 124.20, 124.222, 124.32, 124.573 and 124.574 to which it would otherwise have been entitled were it not for the levy certified pursuant to this subdivision.

(7) Nothing within the provisions of this subdivision shall be construed to affect any other levy under section 275.125, including levies made pursuant to section 275.125, subdivision 2a, clause (4), to which a district is otherwise entitled.

(8) A levy made by a district pursuant to the provisions of this subdivision shall be construed to be the levy made by that district pursuant to subdivision 2a, clause (1) and (2), of this section for purposes of statutory cross-reference.

Sec. 65. Minnesota Statutes 1976, Section 275.125, Subdivision 6, is amended to read:

Subd. 6. (1) In 1975 Any district in which the 1970-1971 adjusted maintenance cost per pupil unit in average daily membership was greater than \$663 per pupil unit may levy the greater of (a) an amount per pupil unit which is equal to or less than the difference between the 1970-1971 adjusted maintenance cost per pupil unit in average daily membership and \$663 per pupil unit or (b) if the district counts pupil units pursuant to section 124.17, subdivision 1, clause (6) and has at least two percent fewer pupil units in the year in which the levy is made than in the preceding school year, an amount which is equal to or less than the amount raised by the number of mills levied in 1977 pursuant to this subdivision times the adjusted assessed valuation of the taxable property in the district for the preceding year; provided, however, that

the amount which the district may levy pursuant to clause (b) shall not increase in any year to more than the product of the amount raised in the previous year pursuant to this subdivision times the ratio of the foundation aid formula allowance per pupil unit for that district in the year in which the levy is certified divided by the foundation aid formula allowance per pupil unit for that district in the previous year. Provided, however, that a district with boundaries coterminous with the boundaries of a city of the first class which was affected by the limitation of an extra levy not to exceed 1.9 mills times the adjusted assessed valuation of the district shall be allowed to may levy the greater of (a) an amount per pupil unit which is equal to 2.0 mills times the 1974 adjusted assessed valuation of the district, divided by the number of pupil units in the district in 1975-1976 or (b) if the district counts pupil units pursuant to section 124.17, subdivision 1, clause (6) and has at least two percent fewer pupil units in the year in which the levy is made than in the preceding school year, an amount which is equal to or less than the amount raised by the number of mills levied in 1977 pursuant to this subdivision times the adjusted assessed valuation of the taxable property in the district for the preceding year; provided, however, that the amount which the district may levy pursuant to clause (b) shall not increase in any year to more than the product of the amount raised in the previous year pursuant to this subdivision times the ratio of the foundation aid formula allowance per pupil unit for that district in the year in which the levy is certified divided by the foundation aid formula allowance per pupil unit for that district in the previous year.

As used in this subdivision, the term "foundation aid formula allowance per pupil unit" shall have the same meaning as provided in section 124.32, subdivision 1(a).

~~(2)~~ *In 1976 and each year thereafter, any district which qualified in 1975 for an extra levy under clause (1) shall be allowed to levy the same amount per pupil unit allowed by that clause.*

~~(2)~~ (2) *For purposes of computing allowable levies under this subdivision, pupil units shall include only those units identified in section 124.17, subdivision 1, clauses (1), (2), (6) and (7). The provisions of this clause shall not affect or modify any district's 1970-1971 adjusted maintenance cost per pupil unit in average daily membership.*

Sec. 66. Minnesota Statutes, 1977 Supplement, Section 275.125, Subdivision 9, is amended to read:

Subd. 9. (1) *Districts which receive payments which result in deductions from foundation aid pursuant to section 124.212, subdivision 8a, clause (1), shall reduce the permissible levies authorized by subdivisions 3 to 14 by that portion of the previous year's payment not deducted from foundation aid on account of the payment. The levy reductions shall be made in the proportions that each permissible levy bears to the sum of the permissible levies. Reductions in levies pursuant to this clause, subdivision 10 of this*

section, and section 273.138, shall be made prior to the reductions in clause (2).

(2) Notwithstanding any other law to the contrary, districts which received payments pursuant to sections 294.21 to 294.28; 298.23 to 298.28; 298.32; 298.34 to 298.39; 298.391 to 298.396; 298.405; 298.51 to 298.67; and any law imposing a tax upon severed mineral values, or under any other law distributing proceeds in lieu of ad valorem tax assessments on copper or nickel properties; shall not include a portion of these aids in their permissible levies pursuant to those sections, but instead shall reduce the permissible levies authorized by this section to be certified in the calendar year in which the deduction from foundation aid is made pursuant to section 124.212, subdivision 8a, by the portion of the previous fiscal year's payment which was not deducted from foundation aid in that calendar year pursuant to section 124.212, subdivision 8a by the greater of the following:

(a) an amount equal to 50 percent of the total dollar amount of the payments received pursuant to those sections in the previous fiscal year; or

(b) an amount equal to the total dollar amount of the payments received pursuant to those sections in the previous fiscal year less the product of the same dollar amount of payments times the ratio of the maximum levy allowed the district under section 275.125, subdivision 2a, to the total levy allowed the district under section 275.125 in the year in which the levy is certified.

(3) No reduction pursuant to this subdivision shall reduce the levy made by the district pursuant to subdivision 2a, clause 1 or 2, to an amount less than the amount raised by a levy of 10 mills times the adjusted assessed valuation of that district for the preceding year as determined by the equalization aid review committee. The amount of any increased levy authorized by referendum pursuant to subdivision 2a, clause (4) shall not be reduced pursuant to this subdivision. The amount of any levy authorized by subdivision 4, to make payments for bonds issued and for interest thereon, shall not be reduced pursuant to this subdivision.

(4) Before computing the reduction pursuant to this subdivision of the capital expenditure levy authorized by section 275.125, subdivision 11a, the commissioner shall ascertain from each affected school district the amount it proposes to levy for capital expenditures pursuant to that subdivision. The reduction of the capital expenditure levy shall be computed on the basis of the amount so ascertained.

(5) Notwithstanding any law to the contrary, any amounts received by districts in any fiscal year after fiscal year 1975 pursuant to sections 294.21 to 294.28; 298.23 to 298.28; 298.34 to 298.39; 298.391 to 298.396; 298.405; 298.51 to 298.67; or any law imposing a tax on severed mineral values, or under any other law distributing proceeds in lieu of ad valorem tax assessments on copper or nickel properties; and not deducted from foundation aid pursuant to section 124.212, subdivision 8a, clause (2), and

not applied to reduce levies pursuant to this subdivision shall be paid by the district to the commissioner of finance in the following amounts pursuant to this clause on the designated dates: on or before March 15, 1977, 20 percent of the amounts received in fiscal 1976 and not deducted from foundation aid in August 1976 and not applied to reduce 1976 payable 1977 levies; on or before March 15, 1978, 60 percent of the amounts received in fiscal 1977 and not deducted from foundation aid and not applied to reduce 1977 payable 1978 levies; on or before March 15, 1979 and March 15 of each year thereafter, 100 percent of the amounts received in the preceding fiscal year and not deducted from foundation aid and not applied to reduce levies certified in the preceding October. Any amounts received by districts in any fiscal year after fiscal year 1977 pursuant to the sections specified in this clause shall be paid by the district to the commissioner of finance in the following amounts on the designated dates: on or before March 15, 1979 and March 15 of each year thereafter, 100 percent of the amount required to be subtracted from the previous fiscal year's foundation aid pursuant to section 124.212, subdivision 8a, which is in excess of the foundation aid earned for that fiscal year. The commissioner of finance shall deposit any amounts received pursuant to this clause in the taconite property tax relief fund in the state treasury, established pursuant to section 16A.70 for purposes of paying the taconite homestead credit as provided in section 273.135.

Sec. 67. Minnesota Statutes, 1977 Supplement, Section 275.125, Subdivision 13, is amended to read:

Subd. 13. Districts maintaining a post-secondary vocational-technical school shall may levy for post-secondary vocational-technical purposes as follows:

(1) For districts in cities of the first class, one-half mill, exclusive of debt service, times the adjusted assessed valuation of the taxable property of the district for the preceding year as determined by the equalization aid review committee.

(2) For districts formed pursuant to Laws 1967, Chapter 822, as amended, and Laws 1969, Chapters 775 and 1060 as amended, one-half mill, exclusive of debt service, times the adjusted assessed valuation of the taxable property of the district for the preceding year as determined by the equalization aid review committee.

(3) For other districts maintaining post-secondary vocational schools, one mill, exclusive of debt service, times the adjusted assessed valuation of the taxable property of the district for the preceding year as determined by the equalization aid review committee.

Sec. 68. Minnesota Statutes 1976, Section 275.125, Subdivision 15, is amended to read:

Subd. 15. Any district which in any year levies an amount which is greater than the amount allowed by subdivisions 2a to 14, shall lose an amount of state foundation aid equal to one half of the excess in the levy. However, if any school district levy is

found to be excessive as a result of a decision of the tax court of appeals or a redetermination by the equalization aid review committee under section 124.212, subdivisions 11 to 18 or for any other reason, the amount of the excess shall be deducted from the levy certified in the next year for the same purpose; provided that if no levy is certified in the next year for the same purpose or if the amount certified is less than the amount of the excess, the excess shall be deducted from that levy and the levy certified pursuant to subdivision 2a. The amount of aid lost shall be deducted from the aid which would otherwise have been received for the school year which commences in the calendar year during which the excessive levy is being collected. Any foundation aid so withheld shall be withheld in accordance with the procedures specified in section 124.15. If any aid entitlement pursuant to sections 124.212, 124.222 and 124.245 would have been increased in a prior year as a result of a decision of the tax court of appeals or a redetermination by the equalization aid review committee, the amount of the increase shall be added to the current aid entitlement for the same purposes.

Sec. 69. Minnesota Statutes 1976, Section 275.125, Subdivision 16, is amended to read:

Subd. 16. For the purposes of this section, the number of resident pupil units in average daily membership shall be computed in accordance with section 124.17, provided that the district may use an estimated average daily membership for the current school year. Any district which increased its pupil units, exclusive of consolidation, or merger of districts, or change of definition of pupil units by more than five percent from one year to another for two consecutive years may use an estimated pupil unit count for the next succeeding school year for determining a levy certified in the current year. If as a result of such estimate the levy is different from the amount that could actually have been levied under this section had such levy been based upon the pupil units computed under section 124.17 for that school year, then in that event the authorized levy for the following year shall be adjusted for the difference.

Sec. 70. Minnesota Statutes 1976, Section 275.125, Subdivision 18, is amended to read:

Subd. 18. By November 1 of each year each district shall submit to notify the commissioner of education a certificate of the levies certified in compliance with the levy limitations of this section. The commissioner of education shall prescribe the form of this certificate notification.

Sec. 71. Minnesota Statutes 1976, Section 275.48, is amended to read:

275.48. [ADDITIONAL TAX LEVIES IN CERTAIN MUNICIPALITIES.] Whenever by virtue of chapter 278, sections 270.07, 375.192, or otherwise, the assessed valuation of any city, township or school district for any taxable year is reduced after the taxes for such year have been spread by the county auditor

and whenever the mill rate as determined by the county auditor based upon the original assessed valuation is applied upon such reduced valuations and does not produce the full amount of taxes as actually levied and certified for such taxable year upon the original assessed valuations, such city, township or school district may include in its tax levy made following final determination and notice of such reduction in assessed valuation, an amount equal to the difference between (1) the total amount of taxes actually levied and certified for such taxable year upon the original assessed valuation, not exceeding the maximum amount which could be raised upon such assessed valuation as reduced, within existing mill limitations, if any, and (2) the amount of taxes collected for such taxable year upon such reduced valuations. *However, if a school district receives aid payment adjustments pursuant to section 124.214, subdivision 2, it may only include in its tax levy an amount equal to the difference between (1) the total amount of taxes actually levied and certified for such taxable year upon the original assessed valuation, not exceeding the maximum amount which could be raised upon such assessed valuation as reduced, within existing mill limitations, if any, and (2) an amount equal to the amount of taxes collected for such taxable year upon such reduced valuations, plus the amount of any increased aid received by the district as a result of those aid adjustments.*

The amount of taxes so included shall be levied separately and shall be levied in addition to all limitations imposed by law; and further shall not result in any penalty in the nature of a reduction in state aid of any kind.

Sec. 72. Minnesota Statutes, 1977 Supplement, Section 298.28. Subdivision 1, is amended to read:

298.28 [DIVISION AND DISTRIBUTION OF PROCEEDS.] Subdivision 1. The proceeds of the taxes collected under section 298.24, except the tax collected under section 298.24, subdivision 2, shall, upon certificate of the commissioner of revenue to the general fund of the state, be paid by the commissioner of revenue as follows:

(1) 2.5 cents per gross ton of merchantable iron ore concentrate, hereinafter referred to as "taxable ton", to the city or town in which the lands from which taconite was mined or quarried were located or within which the concentrate was produced. If the mining, quarrying, and concentration, or different steps in either thereof are carried on in more than one taxing district, the commissioner shall apportion equitably the proceeds of the part of the tax going to cities and towns among such subdivisions upon the basis of attributing 40 percent of the proceeds of the tax to the operation of mining or quarrying the taconite, and the remainder to the concentrating plant and to the processes of concentration, and with respect to each thereof giving due consideration to the relative extent of such operations performed in each such taxing district. His order making such apportionment shall be subject to review by the tax court of appeals at the instance

of any of the interested taxing districts, in the same manner as other orders of the commissioner.

(2) 12.5 cents per taxable ton to the taconite municipal aid account in the apportionment fund of the state treasury, to be distributed as provided in section 298.282.

(3) 29 cents per taxable ton to school districts to be distributed as follows:

(a) 6 cents per taxable ton to the school districts in which the lands from which taconite was mined or quarried were located or within which the concentrate was produced. The commissioner shall follow the apportionment formula prescribed in clause (1).

(b) 23 cents per taxable ton, less any amount distributed under part (c), shall be distributed to a group of school districts comprised of those school districts wherein the taconite was mined or quarried or the concentrate produced or in which there is a qualifying municipality as defined by section 273.134 or in which is located property which is entitled to the reduction of tax pursuant to section 273.135, subdivision 2, clause (c). The 23 cents, less any amount distributed under part (c), shall be distributed in direct proportion to school district tax levies as follows: each district shall receive that portion of the total distribution which its permitted levy for the prior year, computed pursuant to section 275.125, comprises of the sum of permitted levies for the prior year for all qualifying districts, computed pursuant to section 275.125. ~~The portion of~~ The amount so distributed to a school district which is not deducted from state aids in section 124.212, subdivision 8a computed as a reduction of the school district levies pursuant to section 275.125, subdivision 9, shall be included in computing the permissible levies under section 275.125. For purposes of distributions pursuant to this part, permitted levies for the prior year computed pursuant to section 275.125 shall not include the amount of any increased levy authorized by referendum pursuant to section 275.125, subdivision 2a, clause (4).

(c) There shall be distributed to any school district the amount which the school district was entitled to receive under section 298.32 in 1975.

(4) 19.5 cents per taxable ton to counties to be distributed as follows:

(a) 15.5 cents per taxable ton shall be distributed to the county in which the taconite is mined or quarried or in which the concentrate is produced, less any amount which is to be distributed pursuant to part (b). The commissioner shall follow the apportionment formula prescribed in clause (1).

(b) If an electric power plant owned by and providing the primary source of power for a taxpayer mining and concentrating taconite is located in a county other than the county in which the mining and the concentrating processes are conducted, one cent for taxable ton of the tax distributed to the counties pursuant to part (a) and imposed on and collected from such taxpayer

shall be distributed by the commissioner of revenue to the county in which the power plant is located.

(c) 4 cents per taxable ton shall be paid to the county from which the taconite was mined, quarried or concentrated to be deposited in the county road and bridge fund. If the mining, quarrying and concentrating, or separate steps in any of those processes are carried on in more than one county, the commissioner shall follow the apportionment formula prescribed in clause (1).

(5) (a) 25.75 cents per taxable ton, less any amount required to be distributed under part (b), to the taconite property tax relief account in the apportionment fund in the state treasury, to be distributed as provided in sections 273.134 to 273.136.

(b) If an electric power plant owned by and providing the primary source of power for a taxpayer mining and concentrating taconite is located in a county other than the county in which the mining and the concentrating processes are conducted, .75 cent per taxable ton of the tax imposed and collected from such taxpayer shall be distributed by the commissioner of revenue to the county and school district in which the power plant is located as follows: 25 percent to the county and 75 percent to the school district.

(6) 1 cent per taxable ton to the state.

(7) 3 cents per taxable ton shall be deposited in the state treasury to the credit of the iron range resources and rehabilitation board account in the special revenue fund for the purposes of section 298.22. Of this amount, one cent per taxable ton is to be used to provide environmental development grants to local governments located within any county in region 3 as defined in governor's executive order number 60 issued on June 12, 1970, which does not contain a municipality qualifying pursuant to section 273.134.

(8) the amounts determined under clauses (4) (a), (4) (c), and (5) shall be increased in 1979 and subsequent years in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1.

(9) the proceeds of the tax imposed by section 298.24 which remain after the distributions in clauses (1) to (8) and parts (a), (b), (c), and (d) of this clause have been made shall be divided between the taconite environmental protection fund created in section 298.223 and the northeast Minnesota economic protection fund created in section 298.292 as follows: In 1978, 1979, 1980, 1981, and 1982, two-thirds to the taconite environmental protection fund and one-third to the northeast Minnesota economic protection fund; in 1983 and thereafter, one-half to each fund. The proceeds shall be placed in the respective special accounts in the general fund.

(a) In 1978 and each year thereafter, there shall be distributed to each city, town, school district, and county the amount that they received under section 294.26 in calendar year 1977.

(b) In 1978 and each year thereafter, there shall be distributed to the iron range resources and rehabilitation board the amounts it received in 1977 under section 298.22.

(c) In 1978 and each year thereafter, \$50,000 shall be distributed to the department of revenue for auditing and enforcing the production tax imposed by Laws 1977, Chapter 423, Article 10.

(d) In 1978 and 1979, \$150,000 shall be distributed to the department of revenue for the purpose of administering section 298.48. In 1980 and each year thereafter, \$100,000 shall be distributed to the department of revenue. On or before October 10 of each calendar year each producer of taconite or iron sulphidés subject to taxation under section 298.24 (hereinafter called "taxpayer") shall file with the commissioner of revenue and with the county auditor of each county in which such taxpayer operates, and with the chief clerical officer of each school district, city or town which is entitled to participate in the distribution of the tax, an estimate of the amount of tax which would be payable by such taxpayer under said law for such calendar year; provided such estimate shall be in an amount not less than the amount due on the mining and production of concentrates up to September 30 of said year plus the amount becoming due because of probable production between September 30 and December 31 of said year, less any credit allowable as hereinafter provided. Such estimate shall list the taxing districts entitled to participate in the distribution of such tax, and the amount of the estimated tax which would be distributable to each such district in the next ensuing calendar year on the basis of the last percentage distribution certified by the commissioner of revenue. If there be no such prior certification, the taxpayer shall set forth its estimate of the proper distribution of such tax under the law, which estimate may be corrected by the commissioner if he deems it improper, notice of such correction being given by him to the taxpayer and the public officers receiving such estimate. The officers with whom such report is so filed shall use the amount so indicated as being distributable to each taxing district in computing the permissible tax levy of such county, city or school district in the year in which such estimate is made, and payable in the next ensuing calendar year, except that in 1978 and 1979 two cents per taxable ton, and in 1980 and thereafter, one cent per taxable ton of the amount distributed under clause (4)(c) shall not be deducted in calculating the permissible levy. Such taxpayer shall then pay, at the times payments are required to be made pursuant to section 298.27, as the amount of tax payable under section 298.24, the greater of (a) the amount shown by such estimate, or (b) the amount due under said section as finally determined by the commissioner of revenue pursuant to law. If, as a result of the payment of the amount of such estimate, the taxpayer has paid in any calendar year an amount of tax in excess of the amount due in such year under section 298.24, after application of credits for any excess payments made in previous years, all as determined by the commissioner of revenue, the taxpayer shall be given credit for such excess amount against

any taxes which, under said section, may become due from the taxpayer in subsequent years. In any calendar year in which a general property tax levy subject to sections 275.125 or 275.50 to 275.59 has been made, if the taxes distributable to any such county, city or school district are greater than the amount estimated to be paid to any such county, city or school district in such year, the excess of such distribution shall be held in a special fund by the county, city or school district and shall not be expended until the succeeding calendar year, and shall be included in computing the permissible levies under sections 275.125 or 275.50 to 275.59, of such county, city or school district payable in such year. If the amounts distributable to any such county, city or school district, after final determination by the commissioner of revenue under this section are less than the amounts indicated by such estimates, such county, city or school district may issue certificates of indebtedness in the amount of the shortage, and may include in its next tax levy, in excess of the limitations of section 275.125 or 275.50 to 275.59 an amount sufficient to pay such certificates of indebtedness and interest thereon, or, if no certificates were issued, an amount equal to such shortage.

There is hereby annually appropriated to such taxing districts as are stated herein, to the taconite property tax relief account and to the taconite municipal aid account in the apportionment fund in the state treasury, to the department of revenue, to the iron range resources and rehabilitation board, to the taconite environmental protection fund, and to the northeast Minnesota economic protection fund, from any fund or account in the state treasury to which the money was credited, an amount sufficient to make the payment or transfer. The payment of the amount appropriated to such taxing districts shall be made by the commissioner of revenue on or before May 15 annually.

Sec. 73. Minnesota Statutes 1976, Section 298.39, is amended to read:

298.39 [DISTRIBUTION OF PROCEEDS.] The proceeds of the tax collected under section 298.35 shall be distributed by the state treasurer, upon certificate of the commissioner of revenue to the general fund of the state and to the various taxing districts in which the lands from which the semi-taconite was mined or quarried were located in the following proportions: 22 percent thereof to the city or town; 50 percent thereof to the school district; 22 percent thereof to the county; six percent thereof to the state. If the mining and concentration, or different steps in either thereof are carried on in more than one taxing district, the commissioner shall apportion equitably the proceeds of the part of the tax going to cities or towns among such subdivisions, and the part going to school districts among such districts, and the part going to counties among such counties, upon the basis of attributing 40 percent of the proceeds of the tax to the operation of mining or quarrying the semi-taconite, and the remainder to the concentrating plant and to the processes of concentration, and with respect to each thereof giving due consideration to the relative extent of such

operations performed in each such taxing district. His order making such apportionment shall be subject to review by the tax court of appeals at the instance of any of the interested taxing districts, in the same manner as other orders of the commissioner. The amount so distributed shall be divided among the various funds of the state, or of the taxing districts in the same proportion as the general ad valorem tax thereof. If in any year the state shall not spread any general ad valorem tax levy against real property, the state's proportion of the tax shall be paid into the general fund. The amount distributed to any city and ~~one third in 1971 and that portion not deducted from state aids in section 124.212, subdivision 8, thereafter,~~ of the amount distributed to any school district ~~under the provisions hereof which is computed as a reduction of the school district levies pursuant to section 275.125, subdivision 9,~~ shall be included in computing the permissible levies of such city or school district under sections 275.11 or 275.125, but shall not be included in computing mill rate limitations, including cost of living adjustments thereof, so long as the levies do not exceed the limitations provided by said sections 275.11 or 275.125. On or before October 10 of each calendar year each producer of semitaconite subject to taxation under section 298.35, hereinafter called "taxpayer," shall file with the commissioner of revenue and with the county auditor of each county in which such taxpayer operates, and with the chief clerical officer of each school district or city which is entitled to participate in the distribution of the tax, an estimate of the amount of tax which would be payable by such taxpayer under said law for such calendar year; provided such estimate shall be in an amount not less than the amount due on the mining and production of concentrates up to September 30 of said year plus the amount becoming due because of probable production between September 30 and December 31 of said year, less any credit allowable as hereinafter provided. Such estimate shall list the taxing districts entitled to participate in the distribution of such tax, and the amount of the estimated tax which would be distributable to each such district in such next ensuing calendar year on the basis of the last percentage distribution certified by the commissioner of revenue. If there be no such prior certification, the taxpayer shall set forth its estimate of the proper distribution of such tax under the law, which estimate may be corrected by the commissioner if he deems it improper, notice of such correction being given by him to the taxpayer and the public officers receiving such estimate. The officers with whom such report is so filed shall use the amount so indicated as being distributable to each taxing district except in the case of school districts ~~one third in 1971 and that portion not deducted from state aids in section 124.212, subdivision 8, thereafter~~ of the indicated amount ~~which is computed as a reduction of school district levies pursuant to section 275.125, subdivision 9,~~ is to be used in computing, pursuant to sections 275.11 or 275.125, the permissible tax levy of such city or school district in the year in which such estimate is made, and payable in the next ensuing calendar year. Such taxpayer shall then pay, at the times payments are required to be made pursuant to section 298.36, as the amount of tax payable under section 298.35, the greater of (a) the amount shown by such estimate, or (b) the

amount due under said section as finally determined by the commissioner of revenue pursuant to law. If, as a result of the payment of the amount of such estimate, the taxpayer has paid in any calendar year an amount of tax in excess of the amount due in such year under section 298.35, after application of credits for any excess payments made in previous years, all as determined by the commissioner of revenue, the taxpayer shall be given credit for such excess amount against any taxes which, under said section, may become due from the taxpayer in subsequent years. In any calendar year in which a general property tax levy subject to sections 275.11 or 275.125 has been made, if the taxes distributable to any such city or school district are greater than the amount estimated to be paid to any such city or school district in such year, the excess of such distribution shall be held in a special fund by the city or school district and shall not be expended until the succeeding calendar year, and shall be included in computing the permissible levies under sections 275.11 or 275.125 of such city or school district payable in such year. If the amounts distributable to any such city or school district, after final determination by the commissioner of revenue under this section are less than the amounts indicated by such estimates, such city or school district may issue certificates of indebtedness in the amount of the shortage, and may include in its next tax levy, in excess of the limitations of sections 275.11 or 275.125 an amount sufficient to pay such certificates of indebtedness and interest thereon, or, if no certificates were issued, an amount equal to such shortage.

There is hereby appropriated to such taxing districts as are stated herein, from any fund or account in the state treasury to which the money was credited, an amount sufficient to make the payment or transfer.

Sec. 74. Minnesota Statutes 1976, Section 298.396, is amended to read:

298.396 [DISTRIBUTION OF PROCEEDS.] The proceeds of the tax collected under section 298.393 shall be distributed by the state treasurer, upon certificate of the commissioner to the general fund of the state and to the various taxing districts in which the agglomerating facility is located in the following proportions: 22 percent thereof to the city or town; 50 percent thereof to the school district; 22 percent thereof to the county; 6 percent thereof to the state. If the agglomerating facility is located in more than one tax district, the commissioner shall apportion equitably the proceeds of the part of the tax going to cities or towns among such subdivisions, and the part going to school districts among such districts, and the part going to counties among such counties, giving due consideration to the relative extent of the facilities located in each such taxing district. His order making such apportionment shall be subject to review by the tax court of appeals at the instance of any of the interested taxing districts, in the same manner as other orders of the commissioner. The amount to be distributed among the several taxing districts of the state shall be divided by such districts among the funds of such districts in the same proportion as the general ad valorem

tax thereof. The amount distributed to any city and one-third in 1971 and that portion not deducted from state aids in section 124.212, subdivision 8, thereafter of the amount distributed to any school district under the provisions hereof which is computed as a reduction of the school district levies pursuant to section 275.125, subdivision 9, shall be included in computing the permissible amount of the levies of such city or school district under sections 275.11 or 275.125, but shall not be included in computing mill rate limitations, including cost of living adjustments thereof, so long as the levies do not exceed the limitations provided by said sections 275.11 or 275.125.

Sec. 75. Minnesota Statutes 1976, Section 471.16, Subdivision 1, is amended to read:

471.16 [MAY ACT INDEPENDENTLY OR COOPERATIVELY.] Subdivision 1. Any city, however organized, or any town, county, school district, or any board thereof, or any incorporated post of the American Legion or any other incorporated veterans' organization, may operate such a program independently, or they may cooperate among themselves or with any nonprofit organization in its conduct and in any manner in which they may mutually agree; or they may delegate the operation of the program to a recreation board created by one or more of them, and appropriate money voted for this purpose to such board which may in turn support or cooperate with a nonprofit organization. *In the case of school districts after April 15, 1978, the right to enter into such agreements with any other corporation, board or body hereinbefore designated where bonds are issued by the other party and revenue pledged for bonds issued pursuant to section 471.191, shall be authorized only upon obtaining the approval of a majority of the electors voting on the question at a regular or special school election.*

Sec. 76. [471.1911] *Agreements entered into by school districts pursuant to the provisions of 471.15 to 471.191 or Laws 1967, Chapter 33, prior to April 15, 1978, without a referendum, are not void and are hereby validated.*

Sec. 77. Minnesota Statutes 1976, Section 471.61, Subdivision 1, is amended to read:

471.61 [GROUP INSURANCE, PROTECTION FOR OFFICERS, EMPLOYEES, RETIRED OFFICERS AND EMPLOYEES.] Subdivision 1. [OFFICERS, EMPLOYEES.] Any county, municipal corporation, town, school district, county extension committee, other political subdivision or other body corporate and politic of this state, other than the state or any department thereof, through its governing body, and any two or more subdivisions acting jointly through their governing bodies, may insure or protect its or their officers and employees, and their dependents, or any class or classes thereof, under a policy or policies, or contract or contracts of group insurance or benefits covering life, health, and accident, in the case of employees, and medical and surgical benefits, and hospitalization insurance or benefits, for both employees and dependents, or dependents

of an employee whose death was due to causes arising out of and in the course of employment, or any one or more of such forms of insurance or protection. A school district may elect to provide any or all of these benefits through self-insurance. Any such governmental unit, including county extension committees and those paying their employees, may pay all or any part of the premiums or charges on such insurance or protection. Any such payment shall be deemed to be additional compensation paid to such officers or employees but for purposes of determining contributions or benefits under any public pension or retirement system it shall not be deemed to be additional compensation. Any one or more of such governmental units may determine that a person is an officer or employee if such officer or employee receives a portion of his income from such governmental subdivisions without regard to the manner of his election or appointment. The appropriate officer of such governmental unit, or those disbursing county extension funds, shall deduct from the salary or wages of each officer and employee who elects to become insured or so protected, on the officer's or employee's written order, all or part of the officer's or employee's share of such premiums or charges and remit the same to the insurer or company issuing such policy or contract.

Any governmental unit which pays all or any part of such premiums or charges is authorized to levy and collect a tax, if necessary, in the next annual tax levy for the purpose of providing the necessary funds for the payment of such premiums or charges, and except for school districts such sums so levied and appropriated shall not, in the event such sum exceeds the maximum sum allowed by any law or the charter of a municipal corporation, be considered part of the cost of government of such governmental unit as defined in any tax levy or per capita expenditure limitation; provided at least 50 percent of the cost of benefits on dependents shall be contributed by the employee or be paid by levies within existing per capita tax limitations.

The word "dependents" as used herein shall mean spouse and minor unmarried children under the age of 18 years actually dependent upon the employee.

Sec. 78. [REPORT; DISEQUALIZING RESOURCES.] *Prior to January 1, 1979, the commissioner shall file a written report with the appropriate education committees and subcommittees of the senate and house of representatives on the amount of revenues derived by each district in the state for the 1973-1974, 1974-1975, 1975-1976, 1976-1977 or the 1977-1978 school year pursuant to each of the following statutes: 84A.51, subdivision 4; 88.51; 88.52, subdivision 4; 89.036; 90.50, subdivision 5; 93.283, subdivision 7; 93.335, subdivision 4; 94.52; 94.521; 97.49; 124.63; 270.38; 272.04; 272.05; 272.68, subdivision 3; 273.111, subdivision 10; 273.112, subdivision 8; 273.13, subdivision 2a; 274.19, subdivision 7; 279.37, subdivision 7; 282.08; 285.14; 462.575, subdivision 3; 473F.08, subdivision 8; and Laws 1961, Chapter 612, Section 1. However, the commissioner shall not require reports of districts or report to the legislature on any revenues received pursuant to any one of these*

statutory provisions if that particular revenue is presently reduced or subtracted from the foundation aid of a district or if an amount attributable to that revenue is reduced from a school district's levies pursuant to section 275.125, subdivision 9.

Sec. 79. Laws 1967, Chapter 33, is amended by adding a section to read:

Sec. 6a. After April 15, 1978, a school district shall have the right to enter into an agreement with the city of Coon Rapids where the city pledges revenues for the acquisition and betterment of recreational facilities pursuant to Laws 1967, Chapter 33, only after authorization is granted the district by a majority of the electors voting on the question at a regular or special school election.

Sec. 80. Laws 1967, Chapter 822, Section 7, as amended by Laws 1969, Chapter 945, Section 2; Laws 1975, Chapter 432, Section 84; and Laws 1977, Chapter 447, Article V, Section 13, is amended to read:

Sec. 7. [TAX LEVIES.] The joint school board shall ~~may~~ each year, for the purpose of paying any administrative, planning, operating, or capital expenses incurred or to be incurred for area vocational-technical schools, certify to each participating school district the tax levy specified in Minnesota Statutes, Section 275.125, Subdivision 13, Clause (2). Additional tax levies may be certified which shall not in any year exceed .6 mills on each dollar of adjusted assessed valuation for special education and .7 mills on each dollar of adjusted assessed valuation for expenses for secondary vocational education. Each participating school district shall include such tax levies in the next tax roll which it shall certify to the county auditor or auditors, and shall remit the collections of such levies to the board promptly when received. Such levies shall not be included in computing the limitations upon the levy of any district under Minnesota Statutes, Section 275.125. The board may, any time after such levies have been certified to the participating school districts, issue and sell certificates of indebtedness in anticipation of the collection of such levies, but in aggregate amounts such as will not exceed the portion of the levies which is then not collected and not delinquent.

Sec. 81. Laws 1969, Chapter 775, Section 4, Subdivision 1, is amended to read:

Sec. 4. [FINANCING.] Subdivision 1. The intermediate school board shall be a public agency and may receive and disburse federal and state funds made available to it including moneys described in Minnesota Statutes, Section 121.21. For purposes of this act all post high school students attending facilities of said intermediate school district shall be deemed nonresident students, except those students residing within the component district where the facility is located, for purposes of state aids; provided that the percentage of students enrolled for which this school receives reimbursement on a nonresident basis shall not exceed the statewide average percentage of nonresident students in other area vocational technical schools. No participating school district as such shall

have any individual liability for the debts or obligations of said intermediate school district nor shall any individual serving as a member of the intermediate school board have such liability. Any property, real or personal, acquired, owned, leased, used, or controlled in any way by the intermediate board for its purposes shall be exempt from taxation by the state or any of its political subdivisions.

Sec. 82. Laws 1969, Chapter 775, Section 4, Subdivision 2, as amended by Laws 1971, Chapter 267, Section 3; Laws 1975, Chapter 432, Section 85; and Laws 1977, Chapter 447, Article V, Section 14, is amended to read:

Subd. 2. The intermediate school board shall *may* in each year for the purpose of paying any administrative, planning, operating, or capital expenses incurred or to be incurred certify to each county auditor of each county in which said intermediate school district shall lie, as a single taxing district, the tax levy specified in Minnesota Statutes, Section 275.125, Subdivision 13, Clause (2). Additional tax levies may be certified which shall not in any year exceed .6 mills on each dollar of adjusted assessed valuation for expenses for special education and .5 mills on each dollar of adjusted assessed valuation for expenses for secondary vocational education. Said annual tax levies shall be certified pursuant to Minnesota Statutes, Section 124.02. Upon such certification the county auditor or auditors and other appropriate county officials shall levy and collect such levies and remit the proceeds of collection thereof to the intermediate school district as in the case with independent school districts. Such levies shall not be included in computing the limitations, if any, upon the levy of the intermediate district or any of the participating districts under Minnesota Statutes, Section 275.125. After such levies have been certified to the appropriate county officials the intermediate school board may issue and sell by negotiation or at public sale its certificates of indebtedness in anticipation of the collection of such levies, but in aggregate amount such as will not exceed the portion of such tax levy which is then not collected and not delinquent.

Sec. 83. Laws 1969, Chapter 1060, Section 7, as amended by Laws 1975, Chapter 432, Section 86, and Laws 1977, Chapter 447, Article V, Section 15, is amended to read:

Sec. 7. [TAX LEVIES.] The joint school board shall *may* each year, for the purpose of paying any administrative, planning, operating, or capital expenses incurred or to be incurred for area vocational-technical schools, certify to each participating school district the tax levy specified in Minnesota Statutes, Section 275.125, Subdivision 13, Clause (2). Additional tax levies may be certified which shall not in any year exceed .6 mills on each dollar of adjusted assessed valuation for expenses for special education and .5 mills on each dollar of adjusted assessed valuation for expenses for secondary vocational education. Each participating school district shall include such tax levies in the next tax roll which it shall certify to the county auditor or auditors,

and shall remit the collections of such levies to the board promptly when received. Such levies shall not be included in computing the limitations upon the levy of any district under Minnesota Statutes, Section 275.125. The board may, any time after such levies have been certified to the participating school districts, issue and sell certificates of indebtedness in anticipation of the collection of such levies, but in aggregate amounts such as will not exceed the portion of the levies which is then not collected and not delinquent.

Sec. 84. Laws 1971, Chapter 722, Section 1, as amended by Laws 1975, Chapter 432, Section 87, is amended to read:

Section 1. [SPECIAL SCHOOL DISTRICT NO. 1; TAX LEVY.] To provide moneys to pay any administrative, operational, planning or capital expenses of an area vocational-technical school established pursuant to the provisions of Minnesota Statutes, Section 121.21, the board of directors of special school district No. 1 of Minneapolis shall *may* levy the tax specified in ~~section 76, clause 1 of this act~~ *Minnesota Statutes, Section 275.125, Subdivision 13, Clause (1)*.

Sec. 85. Laws 1974, Chapter 237, is amended to read:

Section 1. [INDEPENDENT SCHOOL DISTRICT NO. 709; TERMINATION OF TEACHING POSITIONS.] Independent School District No. 709, St. Louis County, and the exclusive representative of teachers as defined by Minnesota Statutes, 1973 Supplement, Section 179.63; Subdivision 13, may enter into a written agreement with respect to the termination of such teachers due to discontinuance of position or lack of pupils within the school district, which may include a method, system or scheme other than that provided by Minnesota Statutes, Section 125.17, Subdivision 11, or any act amendatory thereof.

Sec. 2. Any written agreement authorized by section 1 of this act shall not alter or abridge the rights of other certificated employees governed by Minnesota Statutes, 1977 Supplement, Section 125.17, Subdivision 11, if they become subject to such agreement.

Sec. 2 3. This act is effective the day following final enactment.

Sec. 86. [SUMMER SCHOOL DEFICIENCY.] Laws 1977, Chapter 447, Article 1, Section 23, Subdivision 2, is amended to read:

Subd. 2. [FOUNDATION AID.] For foundation aid there is appropriated:

\$611,600,000	1978,
\$634,300,000	1979.

(a) The appropriation in this subdivision for fiscal year 1978 includes not to exceed \$60,000,000 for the payment of the final foundation aid distribution for fiscal year 1977, of which not to exceed ~~\$8,241,000~~ \$8,826,000 is for foundation aid for 1977 summer school programs.

(b) The appropriation in this subdivision for fiscal year 1979 includes not to exceed \$58,150,000 for the payment of the final foundation aid distribution for fiscal year 1978, of which not to exceed \$8,850,000 is for foundation aid for 1978 summer school programs.

Sec. 87. [RESIDENTIAL FACILITIES DEFICIENCY.] Laws 1977, Chapter 447, Article III, Section 16, Subdivision 2, is amended to read:

Subd. 2. For special education aid there is appropriated:

\$66,225,000 1978,

\$78,140,000 1979.

(a) The appropriation in this subdivision for fiscal year 1978 includes not to exceed \$8,177,000 for the payment of the final special education aid distribution to each district for fiscal year 1977, of which not to exceed \$2,800,000 is for special education aid for 1977 summer school programs.

(b) The appropriation in this subdivision for fiscal year 1979 includes not to exceed \$10,373,317 for the payment of the final special education aid distribution to each school district for fiscal year 1978, of which not to exceed \$3,780,000 is for special education aid for 1978 summer school programs.

(c) The appropriations in this subdivision include not to exceed ~~\$500,000~~ \$550,000 in 1978 and \$600,000 in 1979 for aid pursuant to section 124.32, subdivision 5. These amounts are the total appropriations for this purpose for each year.

Sec. 88. *Notwithstanding the provisions of Laws 1977, Chapter 447, Article II, Section 11, Subdivision 2, Clause (d), any unexpended balance of the \$150,000 appropriated pursuant to that clause for transportation aid authorized pursuant to section 124.223, clause (9) for the year ending June 30, 1978 shall be available for the same purpose for the year ending June 30, 1979. Nothing in this section, however, shall be construed to modify the proration requirement, as to these sums, which is specified in Laws 1977, Chapter 447, Article II, Section 11, Subdivision 3.*

Sec. 89. [DEFICIENCY APPROPRIATION; ADVISORY COUNCILS.] *There is appropriated from the general fund to the department of education the sum of \$5,500 for the year ending June 30, 1978 and the sum of \$11,000 for the year ending June 30, 1979, for the purpose of paying the expenses of the advisory council on the Minnesota school for the deaf and the advisory council on the Minnesota braille and sight-saving school. The appropriations in this section shall be added to the sums appropriated for that purpose for the years designated in Laws 1977, Chapter 449, Section 2, Subdivision 3.*

Sec. 90. [DEFICIENCY APPROPRIATION; COMMUNITY EDUCATION.] *There is appropriated from the general fund to the state department of education the sum of \$35,000 for the year ending June 30, 1978. The appropriation in this section shall be*

added to the sum appropriated for the same year in Laws 1977, Chapter 447, Article IV, Section 7, Subdivision 4.

Sec. 91. [AID FOR SECONDARY VOCATIONAL EDUCATION PROGRAMS FOR HANDICAPPED CHILDREN; TRANSFER OF APPROPRIATED SUMS.] Subdivision 1. The sum of \$1,800,000 shall be available to the department of education for secondary vocational education programs for handicapped children for the year ending June 30, 1979.

(a) Of this amount, the sum of \$1,538,000 is transferred from the special education aid appropriation for fiscal year 1979 in Laws 1977, Chapter 447, Article III, Section 16, Subdivision 2, and reappropriated for this purpose.

(b) This amount is based on the assumption that the state will spend for this purpose an amount at least equal to \$262,000 in fiscal year 1979, of federal money received for vocational education programs pursuant to the Vocational Education Act of 1963, as amended.

Subd. 2. None of the amounts transferred and reappropriated for secondary vocational education for handicapped children shall be used for any other purpose. If the amount reappropriated is insufficient, the aid shall be prorated among all qualifying districts and the state shall not be obligated for any amount in excess of the appropriation in this section for this purpose.

Sec. 92. [APPROPRIATIONS; CQE SHARED TIME EDUCATION GRANTS.] Subdivision 1. The sum of \$50,000 is appropriated from the general fund to the state department of education for the school year ending June 30, 1979 for grants by the council on quality education to not more than six shared time education programs and for dissemination of information relating to these programs. The sum of \$8,000 is appropriated from the general fund to the department of education for the school year ending June 30, 1979 for administration of this grant program by the council on quality education. These programs or grants shall be as equally distributed as possible among districts in cities of the first class, in suburbs, and outside the seven county metropolitan area.

Subd. 2. Each program shall provide for an advisory committee appointed by the local board of education. A majority of the members of each advisory committee shall be parents of public and non-public school pupils eligible to be served by the program.

Subd. 3. The department of education shall provide technical and professional assistance to programs funded pursuant to subdivision 1 and shall make maximum use of its existing information services to inform the public of shared time education programs.

Sec. 93. [APPROPRIATION; TRAVEL AID.] There is appropriated from the general fund to the department of education the sum of \$700,000 for the fiscal year ending June 30, 1979, for the travel aid established in section 33 of this act. If this amount is insufficient, the aid shall be prorated among all qualifying units and the state shall not be obligated for this purpose.

Sec. 94. [APPROPRIATION; VETERAN'S TUITION.] *There is appropriated from the general fund to the state department of education the sum of \$840,000 for the year ending June 30, 1979. The appropriation in this section shall be added to the sum appropriated for the year designated in Laws 1967, Chapter 447, Article V, Section 20, Subdivision 2.*

Sec. 95. [APPROPRIATIONS; AFDC CONCENTRATION.] *There is appropriated from the general fund to the department of education the sum of \$1,164,600 for the year ending June 30, 1979. This amount shall be added to the sum appropriated for the year designated in Laws 1977, Chapter 447, Article 1, Section 23, Subdivision 2.*

Sec. 96. [REPEALER.] *Subdivision 1. Minnesota Statutes 1976, Sections 120.065, 120.07, 124.02, and 124.16 are repealed. Minnesota Statutes, 1977 Supplement, Section 123.39, Subdivision 5a, is repealed. This subdivision shall be effective the day following final enactment.*

Subd. 2. Minnesota Statutes, 1977 Supplement, Section 124.213, is repealed. This subdivision shall be effective on July 1, 1978.

Sec. 97. [EFFECTIVE DATES.] *Subdivision 1. Except as provided in this section, the provisions of this act shall be effective the day following its final enactment.*

Subd. 2. Sections 57 and 60 of this act shall be retroactively effective on July 1, 1977. Section 11 of this act shall be retroactively effective on July 1, 1977, and permanent fund transfers from an area vocational-technical school's general fund to its capital expenditure fund made after June 30, 1977, are validated.

Subd. 3. Sections 5, 6, 7, 24, 30, 32, 33, 37, 38, 39, 40, 41, 48, 62, 63, 64, 65, 67, 80, 82, 83, 84, 92, 93, 94, and 95 of this act shall be effective on July 1, 1978.

Further, amend the title by striking it in its entirety and inserting:

"A bill for an act relating to education; providing for certain adjustments in aids to education, tax levies, and the distribution of tax revenues; granting certain powers and duties to school boards, school districts, school bus contractors, the commissioner of education, the state board of education, the state board for vocational education, and the board of teaching; allowing certain fees; establishing formulas for travel aid and aid for certain secondary vocational education programs; increasing incentives for teacher mobility; appropriating money; amending Minnesota Statutes 1976, Sections 6.62, Subdivision 1; 120.17, Subdivision 3; 120.64, Subdivision 4; 120.73, by adding a subdivision; 121.21, Subdivision 6; 121.216; 121.904, Subdivision 7, and by adding a subdivision; 122.23, by adding subdivisions; 123.34, Subdivisions 4 and 8; 123.37, Subdivisions 1b, 3 and 4; 123.39, by adding subdivisions; 124.15, Subdivisions 2 and 6; 124.17, by adding a subdivision; 124.212, Subdivision 20; 124.222, by adding a subdivision; 124.563, Subdivision 2; 124.565, by adding a

subdivision; 125.12, Subdivisions 6a and 6b; 125.185, Subdivision 4, and by adding a subdivision; 126.12; 127.25, Subdivisions 1, 2, and by adding a subdivision; 128A.02, by adding a subdivision; 128A.03, Subdivision 2; 134.03; 275.125, Subdivisions 6, 15, 16 and 18, and by adding a subdivision; 275.48; 298.39; 298.396; 471.16, Subdivision 1; 471.61, Subdivision 1; Chapter 120, by adding a section; Chapter 124, by adding sections; Minnesota Statutes, 1977 Supplement, Sections 121.912, Subdivision 1; 124.17, Subdivision 1; 124.212, Subdivisions 5a and 8a; 124.214; 124.222, Subdivision 6; 124.223; 124.32, Subdivisions 1b, 5 and 7; 124.562, Subdivision 1; 124.563, Subdivision 1; 124.572, Subdivision 3; 124.573, Subdivisions 2, 3, and by adding a subdivision; 125.60, Subdivision 2; 125.61, Subdivisions 1 and 2; 176.011, Subdivision 9; 275.07; 275.124; 275.125, Subdivisions 2a, 9 and 13; 298.28, Subdivision 1; Laws 1967, Chapter 33, by adding a section; Laws 1967, Chapter 822, Section 7, as amended; Laws 1969, Chapter 775, Section 4, Subdivision 1 and Subdivision 2, as amended; Laws 1969, Chapter 1060, Section 7, as amended; Laws 1971, Chapter 722, Section 1, as amended; Laws 1974, Chapter 237; Laws 1977, Chapter 447, Article I, Section 23, Subdivision 2 and Article III, Section 16, Subdivision 2; repealing Minnesota Statutes 1976, Sections 120.065; 120.07; 124.02; 124.16; Minnesota Statutes, 1977 Supplement, Sections 123.39, Subdivision 5a; and 124.213."

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

Mr. Coleman from the Committee on Rules and Administration, to which were referred H. F. Nos. 807, 1838, 1909, 1825 for comparison with companion Senate Files, reports the following House Files were found not identical with their companion Senate Files 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.
807	712				
1838	1859				
1909	1608				
1825	1750				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 807 be amended as follows:

Page 1, line 22, strike "consisting of the counties of Anoka,"

Page 1, line 23, strike the old language and delete the underscored

Page 1, line 24, delete the underscored language and strike "and Washington,"

And when so amended H. F. No. 807 will be identical to S. F. No. 712, and further recommends that H. F. No. 807 be given its second reading and substituted for S. F. No. 712, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1838 be amended as follows:

Page 1, delete lines 10 to 23

Delete page 2

Page 3, delete lines 1 to 31 and insert

“Section 1. Laws 1969, Chapter 1134, Section 1, Subdivision 5, is amended to read:

Subd. 5. “Public transit” means transportation of passengers for hire by means, without limitation, of a street railway, elevated railway, subway, underground railroad, motor vehicles, busses, or other means of conveyance operating as a common carrier on a regular route or routes, or any combination thereof; provided, however, that “public transit” shall not include a common carrier railroad or common carrier railroads. *Public transit shall include paratransit as defined in Minnesota Statutes, Section 174.22, Subdivision 6.*”

Page 4, delete lines 6 to 24

Further amend the title by deleting line 6 and inserting “Sections 1, Subdivision 5; and 3,”

And when so amended H. F. No. 1838 will be identical to S. F. No. 1859, and further recommends that H. F. No. 1838 be given its second reading and substituted for S. F. No. 1859, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1909 be amended as follows:

Page 1, after line 15, insert

“Sec. 2. [EFFECTIVE DATE.] *This act is effective the day following final enactment.*”

And when so amended H. F. No. 1909 will be identical to S. F. No. 1608, and further recommends that H. F. No. 1909 be given its second reading and substituted for S. F. No. 1608, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1825 be amended as follows:

Page 1, line 10, delete “214” and insert “144”

Page 1, line 12, delete "[214.061]" and insert "[144.051]"

Page 1, line 20, delete "summary"

Page 1, line 22, before the period insert "as defined in section 214.01, subdivision 2"

Page 2, line 2, delete "of this act"

Page 2, line 6, delete "214" and insert "144"

Page 2, line 8, delete "[214.062]" and insert "[144.052]"

Page 2, line 9, before the comma insert "as defined in section 214.01, subdivision 2"

Page 2, line 14, after "status," insert "and"

Page 2, line 27, after "materials" insert a comma

Further, amend the title

Line 7, delete "214" and insert "144"

And when so amended H. F. No. 1825 will be identical to S. F. No. 1750, and further recommends that H. F. No. 1825 be given its second reading and substituted for S. F. No. 1750, and that the Senate File be indefinitely postponed.

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

SECOND READING OF SENATE BILLS

S. F. Nos. 2234 and 2264 were read the second time.

S. F. Nos. 2006, 1935, 2072, 2073, 2192, 2239, 2308, 1441 and 1973 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. Nos. 807, 1838, 1909 and 1825 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Moe moved that the name of Mr. Sikorski be added as co-author to S. F. No. 1684. The motion prevailed.

Mr. Stumpf moved that his name be stricken as co-author to S. F. No. 1995. The motion prevailed.

Mr. Olson moved that the name of Mr. Vega be stricken as co-author to S. F. No. 1995. The motion prevailed.

Mr. Nichols moved that the name of Mr. Willet be added as co-author to S. F. No. 2178. The motion prevailed.

Mr. Solon moved that the names of Mr. Kleinbaum, Mrs. Brataas, Messrs. Sikorski and Tennesen be added as co-authors to S. F. No. 2315. The motion prevailed.

Mr. Dieterich moved that the name of Mrs. Staples be added as co-author to S. F. No. 2357. The motion prevailed.

Mr. Davies moved that S. F. No. 1252 be withdrawn from the Committee on Judiciary and re-referred to the Committee on Finance. The motion prevailed.

Mr. Tennesen moved that the report from the Committee on Commerce, reported February 27, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Tennesen moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Tennesen moved that in accordance with the report from the Committee on Commerce, reported February 27, 1978, the Senate, having given its advice, do now consent to and confirm the appointments of:

DEPARTMENT OF COMMERCE CONSUMER SERVICES DIVISION DIRECTOR

Tobey Lapakko, 1671 South Victoria Road, St. Paul, Ramsey County, effective February 1, 1978, for a term expiring the first Monday in January, 1979.

CABLE COMMUNICATIONS BOARD

Eugene Schroeder, 2757 Upland Court, Plymouth, Hennepin County, effective January 10, 1978, for a term expiring the first Monday in January, 1979.

John Stone, 608 East Minnesota, Glenwood, Pope County, effective January 1, 1978, for a term expiring the first Monday in January, 1981.

Dr. Jennis Bapst, 404 Highland Drive, Hibbing, St. Louis County, effective November 21, 1977, for a term expiring the first Monday in January, 1982.

PUBLIC SERVICE COMMISSION

Ruth Cain, 3548 Holmes Avenue South, Minneapolis, Hennepin County, effective January 10, 1978, for a term expiring the first Monday in January, 1979.

Arlen I. Erdahl, 20 West Imperial Drive, West St. Paul, Dakota County, effective January 1, 1978, for a term expiring the first Monday in January, 1984.

Juanita Satterlee, 203 West Redwood, Marshall, Lyon County, effective April 15, 1977, for a term expiring January 1, 1983.

The motion prevailed. So the appointments were confirmed.

RECONSIDERATION

Mr. Peterson moved that the vote whereby S. F. No. 1622 failed to pass the Senate on March 1, 1978, be now reconsidered. The motion prevailed.

Mr. Peterson moved that S. F. No. 1622 be placed at the top of General Orders. The motion prevailed.

THIRD READING OF SENATE BILLS

S. F. No. 1206: A bill for an act relating to aircraft; clarifying compulsory insurance requirements; requiring maintenance of liability coverage only during periods of contemplated aircraft use or operation; amending Minnesota Statutes 1976, Section 360.59, Subdivision 10.

Mr. Ashbach moved that S. F. No. 1206 be stricken and placed at the top of General Orders. The motion prevailed.

THIRD READING OF HOUSE BILLS

H. F. No. 1882: A bill for an act relating to commerce; repealing the fair trade laws; repealing Minnesota Statutes 1976, Sections 325.08 to 325.14.

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 53 and nays 4, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knutson	Olson	Staples
Ashbach	Gearty	Laufenburger	Penny	Stokowski
Bang	Gunderson	Lessard	Perpich	Strand
Benedict	Hanson	Lewis	Peterson	Stumpf
Bernhagen	Hughes	Luther	Pillsbury	Tennessee
Brataas	Jensen	Menning	Renneke	Ueland, A.
Chenoweth	Johnson	Moe	Schaaf	Ulland, J.
Coleman	Keefe, J.	Nelson	Sietoff	Vega
Davies	Keefe, S.	Nichols	Sikorski	Wegener
Dieterich	Kirchner	Ogdahl	Sillers	
Dunn	Knaak	Olhoff	Spears	

Messrs. Chmielewski, Kleinbaum, Schrom and Willet voted in the negative.

So the bill passed and its title was agreed to.

CONSENT CALENDAR

S. F. No. 1547: A bill for an act relating to Independent School District No. 624 and Independent School District No. 12; providing for the exchange of territory between the districts.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Engler	Knaak	Olhoff	Solon
Bang	Gearty	Knutson	Olson	Staples
Benedict	Gunderson	Laufenburger	Penny	Stokowski
Bernhagen	Hanson	Lessard	Perpich	Strand
Brataas	Hughes	Lewis	Peterson	Stumpf
Chenoweth	Jensen	Luther	Pillsbury	Tennessee
Chmielewski	Johnson	Menning	Renneke	Ueland, A.
Coleman	Keefe, J.	Moe	Schrom	Ulland, J.
Davies	Keefe, S.	Nelson	Sieloff	Vega
Dieterich	Kirchner	Nichols	Sikorski	Wegener
Dunn	Kleinbaum	Ogdahl	Sillers	Willet

So the bill passed and its title was agreed to.

S. F. No. 1194: A bill for an act relating to real estate; removing specific charge for copies of instrument filed with registrar; amending Minnesota Statutes 1976, Section 508.38.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Gearty	Laufenburger	Perpich	Strand
Bang	Gunderson	Lessard	Peterson	Stumpf
Benedict	Hanson	Lewis	Pillsbury	Tennessee
Bernhagen	Hughes	Luther	Renneke	Ueland, A.
Brataas	Jensen	Menning	Schrom	Ulland, J.
Chenoweth	Johnson	Moe	Sieloff	Vega
Chmielewski	Keefe, J.	Nelson	Sikorski	Wegener
Coleman	Keefe, S.	Nichols	Sillers	Willet
Davies	Kirchner	Ogdahl	Solon	
Dieterich	Kleinbaum	Olhoff	Spear	
Dunn	Knaak	Olson	Staples	
Engler	Knutson	Penny	Stokowski	

So the bill passed and its title was agreed to.

H. F. No. 1879: A bill for an act relating to the trunk highway system; discontinuing and removing certain routes therefrom; adding a new route in substitution of an existing route.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Bernhagen	Coleman	Engler	Hughes
Ashbach	Brataas	Davies	Gearty	Jensen
Bang	Chenoweth	Dieterich	Gunderson	Johnson
Benedict	Chmielewski	Dunn	Hanson	Keefe, J.

Keefe, S.	Luther	Penny	Sillers	Ueland, A.
Kirchner	Menning	Perpich	Solon	Ulland, J.
Kleinbaum	Moe	Peterson	Spear	Vega
Knaak	Nelson	Pillsbury	Staples	Wegener
Knutson	Nichols	Renneke	Stokowski	Willet
Laufenburger	Ogdahl	Schrom	Strand	
Lessard	Olhoff	Sieloff	Stumpf	
Lewis	Olson	Sikorski	Tennessee	

So the bill passed and its title was agreed to.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Gearty in the chair.

After some time spent therein, the committee arose, and Mr. Gearty reported that the committee had considered the following:

S. F. No. 1622, which the committee recommends to pass with the following amendment offered by Mr. Peterson:

Page 3, line 8, strike "\$5" and insert "\$3"

Page 5, line 6, strike "\$750,000" and insert "\$450,000"

S. F. No. 1630 which the committee reports progress, subject to the following motions:

Mr. Keefe, S. moved to amend S. F. No. 1630 as follows:

Page 3, line 13, strike "county"

Page 3, line 14, strike "or"

Page 3, line 15, strike "county or"

Page 13, line 25, strike "this"

Page 13, line 25, after "chapter" insert "207"

Page 14, line 1, strike "this"

Page 14, line 1, after "chapter" insert "207"

Page 29, after line 7, insert:

"Sec. 28. [FORMER PROVISIONS STILL IN EFFECT UNTIL ADOPTION OF RULES.] *County auditors and municipal clerks shall continue to print any forms or other items heretofore required by Minnesota Statutes, Chapter 207, in accordance with the description of the form or items heretofore provided in that chapter and shall provide for return of absentee ballots to the judges in the precincts as heretofore provided by law until the secretary of state adopts permanent rules pursuant to section 18 of this act or section 207.08, subdivision 2, respectively.*

Sec. 29. [TEMPORARY RULES.] *The secretary of state may adopt temporary rules as provided in section 15.0412, subdivision 5, solely for the purpose of establishing the form and content of proof of residence certificates required by this act for administration of Minnesota Statutes, Chapter 207*

Page 29, line 25, strike “; *provided that*” and insert a period

Page 29, strike lines 26 to 32

Page 30, strike lines 1 to 4

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, strike “for” and insert “of and granting temporary rulemaking power to”

The motion prevailed. So the amendment was adopted.

Mr. Schaaf moved to amend S. F. No. 1630 as follows:

Page 8, after line 27, insert

“Sec. 10. Minnesota Statutes, 1977 Supplement, Section 204A.17, Subdivision 1, is amended to read:

204A.17 [JUDGES OF ELECTION.] Subdivision 1. [APPOINTMENT, QUALIFICATION.] At least 65 days before any election for a partisan political office, the county or legislative district chairman, whichever is designated by the state party, of each political party as defined in section 200.02, subdivision 7, shall furnish a list of qualified voters in each election precinct in the county or legislative district, whichever applies, to act as election judges, to the auditor of the county in which the precinct is located. At least 55 days before the date of the election, the county auditor shall furnish to each of the several appointing authorities of judges for the various election precincts, a list of the appropriate names for each election precinct. Separate lists shall be so submitted by the county auditor for each political party. If any county or legislative district chairman of a political party shall fail to submit a list to the county auditor as hereinbefore provided, the appointing authorities shall select and appoint qualified electors as herein or otherwise provided by law. Except in cities of the first class The council of each municipality and the county board in unorganized territory shall appoint, in the manner provided for in this section, qualified voters in that municipality or county to be judges of election. The appointments shall be made at least 25 days before any election. The appointments shall be made from a list of qualified voters provided for in this section subject to the limitations of section 204A.18, subdivision 1. A person may be appointed an election judge for a precinct in which he does not reside if an insufficient number of names of qualified voters in that precinct are on file in the office of the appointing authority. The council or county board may make such rules as it deems necessary including the examination of applicants, to determine the qualification of judges.”

Page 29, line 21, after “Sections” insert “204A.17, Subdivision 2,”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, after "state;" insert "eliminating civil service appointment of election judges in first class cities;"

Page 1, line 15, after "6;" insert "204A.17, Subdivision 1;"

Page 1, line 18, after "Sections" insert "204A.17, Subdivision 2;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 38 and nays 15, as follows:

Those who voted in the affirmative were:

Anderson	Dieterich	Laufenburger	Penny	Strand
Benedict	Gearty	Lessard	Peterson	Stumpf
Bernhagen	Gunderson	Lewis	Schaaf	Tennessee
Borden	Hanson	Luther	Setzepfandt	Vega
Chenoweth	Hughes	Menning	Sikorski	Wegener
Chmielewski	Humphrey	Moe	Spear	Willet
Coleman	Johnson	Nelson	Staples	
Davies	Keefe, S.	Olhoff	Stokowski	

Those who voted in the negative were:

Ashbach	Jensen	Knaak	Perpich	Sillers
Bang	Keefe, J.	Knutson	Pillsbury	Ueland, A.
Engler	Kirchner	Ogdahl	Renneke	Ulland, J.

The motion prevailed. So the amendment was adopted.

Mr. Schaaf then moved to amend S. F. No. 1630 as follows:

Page 9, line 6, before "No" insert "*Each precinct in which less than 100 persons voted at the last general election shall have at least two judges who are members of different political parties who have received training as required in this section. In every other precinct,*"

Page 13, line 29, restore the old period

The motion prevailed. So the amendment was adopted.

S. F. No. 1630 was then progressed.

On motion of Mr. Coleman, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

Without objection, the Senate reverted to the Order of Business of Introduction and First Reading of Senate Bills.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Laufenburger introduced—

S. F. No. 2372: A bill for an act relating to labor and employment; employee wage deductions; amending Minnesota Statutes, 1977 Supplement, Section 181.79, Subdivision 1.

Referred to the Committee on Employment.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Borden moved that his name be stricken as chief author, added as co-author and Mr. Schaaf be shown as chief author to S. F. No. 1478. The motion prevailed.

Mr. Coleman moved that the Senate do now adjourn until 9:00 o'clock a.m., Saturday, March 4, 1978. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

EIGHTY-SECOND DAY

St. Paul, Minnesota, Friday, March 3, 1978

The House of Representatives met on Friday, March 3, 1978, which was the Eighty-Second Legislative Day of the Seventieth Session of the Minnesota State Legislature. The Senate did not meet on this date.

EIGHTY-THIRD DAY

St. Paul, Minnesota, Saturday, March 4, 1978

The Senate met at 9:00 o'clock a.m. and was called to order by the President.

CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate. The following Senators answered to their names:

Ashbach	Engler	Knoll	Olhoft	Stokowski
Bang	Frederick	Laufenburger	Penny	Strand
Benedict	Gunderson	Lessard	Peterson	Stumpf
Bernhagen	Hanson	Luther	Pillsbury	Ueland, A.
Chmielewski	Jensen	McCutcheon	Renneke	Vega
Coleman	Johnson	Moe	Schmitz	Willet
Davies	Keefe, S.	Nelson	Setzepfandt	
Dieterich	Kleinbaum	Nichols	Sikorski	
Dunn	Knaak	Ogdahl	Staples	

The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Rod Slessor.

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

Anderson	Frederick	Knutson	Penny	Spear
Ashbach	Gearty	Laufenburger	Perpich	Staples
Bang	Gunderson	Lessard	Peterson	Stokowski
Benedict	Hanson	Lewis	Pillsbury	Strand
Bernhagen	Hughes	Luther	Purfeerst	Stumpf
Borden	Humphrey	McCutcheon	Renneke	Ueland, A.
Chenoweth	Jensen	Menning	Schaaf	Ulland, J.
Chmielewski	Johnson	Moe	Schmitz	Vega
Coleman	Keefe, J.	Nelson	Setzepfandt	Wegener
Davies	Keefe, S.	Nichols	Sieloff	Willet
Dieterich	Kleinbaum	Ogdahl	Sikorski	
Dunn	Knaak	Olhoft	Sillers	
Engler	Knoll	Olson	Solon	

The President declared a quorum present.

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

MEMBERS EXCUSED

Mrs. Brataas, Messrs. Kirchner and Schrom were excused from the Session of today. Mr. Menning was excused from the Session of today from 10:00 o'clock a.m. to 12:00 o'clock noon. Mr. Peterson

was excused from the Session of today at 11:45 o'clock a.m. Mr. Frederick was excused from the Session of today at 12:30 o'clock p.m. Mr. Ueland, A. was excused from the Session of today at 4:00 o'clock p.m.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

March 2, 1978

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

I have the honor to inform you that I have received, approved, signed, and deposited in the Office of the Secretary of State, S. F. Nos. 682, 698, 1004, and 1178.

Sincerely,
Rudy Perpich, Governor

March 2, 1978

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1978 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S. F. No.	H. F. No.	Session Laws Chapter No.	Date Approved 1978	Date Filed 1978
682		464	March 2	March 2
698		465	March 2	March 2
1004		466	March 2	March 2
1178		467	March 2	March 2
	1065	468	March 2	March 2
	1180	469	March 2	March 2

Sincerely,
Joan Anderson Grove,
Secretary of State

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mrs. Staples, Messrs. Borden, Gearty and Sillers introduced—

S. F. No. 2373: A bill for an act relating to courts; permitting referees in certain courts; repealing Minnesota Statutes, 1977 Supplement, Section 484.70.

Referred to the Committee on Judiciary.

Mr. Perpich introduced—

S. F. No. 2374: A bill for an act relating to education; permitting Independent School District No. 706 (Virginia) to use a surplus in the debt service fund for capital expenditures.

Referred to the Committee on Education.

Mr. Johnson introduced—

S. F. No. 2375: A bill for an act relating to public land acquisition; limiting acquisition in certain counties.

Referred to the Committee on Local Government.

Messrs. Davies and Merriam introduced—

S. F. No. 2376: A bill for an act relating to courts; costs and disbursements; authorizing the awarding of attorney's fees in certain actions or proceedings; amending Minnesota Statutes 1976, Chapter 549, by adding a section.

Referred to the Committee on Judiciary.

Mr. Sikorski introduced—

S. F. No. 2377: A bill for an act relating to the comprehensive health association; requiring creation of an operating reserve; prescribing premium rates; appropriating money; amending Minnesota Statutes 1976, Section 62E.10, by adding a subdivision; and Minnesota Statutes, 1977 Supplement, Section 62E.08, Subdivision 1; repealing Minnesota Statutes, 1977 Supplement, Section 62E.08, Subdivision 2.

Referred to the Committee on Commerce.

Mr. Strand introduced—

S. F. No. 2378: A bill for an act relating to education; providing funds for public education television; appropriating money.

Referred to the Committee on Education.

Mr. Nichols introduced—

S. F. No. 2379: A bill for an act relating to public welfare; medical assistance for needy persons; modifying limitations on allowable charges to nonmedical assistance residents of nursing homes receiving medical assistance payments; amending Minnesota Statutes, 1977 Supplement, Section 256B.48, Subdivision 1.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Menning, Chmielewski, Ulland, J. and Sikorski introduced—

S. F. No. 2380: A bill for an act relating to programs for Minnesota Sioux Indian communities; appropriating money for home improvement grants and legal assistance; amending Minnesota Statutes, 1977 Supplement, Section 16.97, Subdivision 1.

Referred to the Committee on Energy and Housing.

Mr. Humphrey, Mrs. Brataas and Mr. Dieterich introduced—

S. F. No. 2381: A bill for an act relating to education; public radio; providing grants for noncommercial educational radio stations serving Minnesota and supervision of grant expenditures; appropriating money.

Referred to the Committee on General Legislation and Veterans Affairs.

Mr. Humphrey, Mrs. Brataas and Mr. Setzepfandt introduced—

S. F. No. 2382: A bill for an act relating to education; public broadcasting; extending the expiration date of the legislative study commission on public broadcasting; amending Laws 1977, Chapter 445, Section 3, Subdivision 3.

Referred to the Committee on General Legislation and Veterans Affairs.

Messrs. Strand and Luther introduced—

S. F. No. 2383: A bill for an act relating to state environmental policy; concerning final decisions relating to power plant sites; expanding the time within which the environmental quality board may delay implementation of a final decision; amending Minnesota Statutes 1976, Section 116D.04, Subdivision 9.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Solon, Lewis, Nelson, Sikorski and Kirchner introduced—

S. F. No. 2384: A bill for an act relating to education; mentally retarded children and adults; appropriating money for special physical fitness programs.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Purfeerst introduced—

S. F. No. 2385: A resolution opposing the proposed fuel economy standards for 1980 to 1981 light trucks, vans and utility vehicles; indicating this opposition to the secretary of the United States Department of Transportation.

Referred to the Committee on Transportation.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, herewith returned: S. F. No. 1613:

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 2, 1978

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, herewith returned: S. F. No. 1637.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 3, 1978

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. 804: A bill for an act relating to highway traffic regulations; driving under the influence of alcohol or controlled substances; chemical tests and consent therefor; providing for immediate notice of revocation of a driver license or permit, retention of the license or permit by a court or peace officer and the substitution of temporary licenses under certain circumstances; providing for county court jurisdiction over prosecution for certain offenses; prescribing penalties; amending Minnesota Statutes 1976, Sections 169.121; 169.123; 169.127; and Chapter 169, by adding sections; repealing Minnesota Statutes 1976, Section 171.245.

Senate File No. 804 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 2, 1978

Mr. Davies moved that the Senate do not concur in the amendments by the House to S. F. No. 804 and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce 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. 1787: A bill for an act relating to the national guard; amending the state military code; providing penalties; amending

Minnesota Statutes 1976, Sections 192.06; 192.11; 192.12; 192.261, Subdivision 5; 192.32; 192.33; 192.34; and Chapter 192, by adding a section; repealing Minnesota Statutes 1976, Sections 190.28; 192.09; and 192.10.

Senate File No. 1787 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

CONCURRENCE AND REPASSAGE

Mr. Penny moved that the Senate concur in the amendments by the House to S. F. No. 1787 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1787 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 48 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Knoll	Penny	Staples
Bang	Gearty	Laufenburger	Peterson	Stokowski
Benedict	Gunderson	Lessard	Pillsbury	Strand
Bernhagen	Hanson	Luther	Purfeerst	Stumpf
Borden	Hughes	Menning	Renneke	Ueland, A.
Chmielewski	Jensen	Moe	Schaaf	Ulland, J.
Coleman	Johnson	Nelson	Schmitz	Vega
Davies	Keefe, J.	Nichols	Setzepfandt	Willet
Dieterich	Kleinbaum	Olhoft	Sikorski	
Dunn	Knaak	Olson	Spear	

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

MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

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

S. F. No. 1698: A bill for an act relating to armories; authorizing disposition of unused armories to counties in addition to municipalities; amending Minnesota Statutes 1976, Section 193.36, Subdivision 2.

Senate File No. 1698 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

CONCURRENCE AND REPASSAGE

Mr. Chmielewski moved that the Senate concur in the amendments by the House to S. F. No. 1698 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1698 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 49 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Laufenburger	Penny	Spear
Bang	Gunderson	Lessard	Peterson	Staples
Benedict	Hanson	Luther	Pillsbury	Stokowski
Bernhagen	Hughes	McCutcheon	Purfeerst	Strand
Chmielewski	Jensen	Menning	Renneke	Stumpf
Coleman	Johnson	Moe	Schaaf	Ueland, A.
Davies	Kleinbaum	Nelson	Schmitz	Ulland, J.
Dieterich	Knaak	Nichols	Setzepfandt	Vega
Dunn	Knoll	Olhoff	Sikorski	Willet
Engler	Knutson	Olson	Solon	

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 that the House refuses to concur in the Senate amendments to House File No. 85.

H. F. No. 85: A bill for an act relating to governmental agencies; providing for an open appointment process; requiring reports from appointing authorities and the commissioner of administration; providing for publication of agency vacancies.

And the House respectfully requests that a Conference Committee of three members be appointed thereon:

Wenstrom, Langseth and Anderson, R. have been appointed as such committee on the part of the House.

House File No. 85 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 3, 1978

Mr. Luther moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 85, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 1137, 1345, 1787 and 1808.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted March 2, 1978

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 1881, 1916, 2111, 2372, 1612, 1931, 1773, 2020, 2023, 2175, 2283 and 649.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted March 3, 1978

FIRST READING OF HOUSE BILLS

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

H. F. No. 1137: A bill for an act relating to juvenile courts; disposition of delinquent children; counselling program; restitution; amending Minnesota Statutes 1976, Section 260.185, Subdivision 1, and by adding a subdivision.

Referred to the Committee on Judiciary.

H. F. No. 1345: A bill for an act relating to water well contractors; requiring water well drilling machines to be operated by licensed water well contractors; amending Minnesota Statutes 1976, Sections 156A.02, Subdivision 3; 156A.03, Subdivisions 1 and 2; 156A.05, by adding a subdivision.

Referred to the Committee on Health, Welfare and Corrections.

H. F. No. 1787: A bill for an act relating to education; higher education coordinating board; providing financial assistance.

Referred to the Committee on Education.

H. F. No. 1808: A bill for an act relating to special school district No. 1 of the city of Minneapolis; establishing four year terms of office for directors of the board of education; amending Laws 1959, Chapter 462, Section 3, Subdivision 1, as amended and renumbered.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1748 now on General Orders.

H. F. No. 1881: A bill for an act relating to agriculture; family farm security program; providing for exclusion from gross income of interest on certain loans; amending Minnesota Statutes 1976, Section 41.58, by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

H. F. No. 1916: A bill for an act relating to taxation; defining the use of sales ratio studies; requiring social security numbers; providing a procedure for handling ad valorem tax abatements; providing a uniform appeal and demand period; clarifying classification of certain homesteads; recodifying the classification of resort property; allowing a special levy for commuter van program; providing adjustments to the levy limit base; defining resident estate and resident trust for income tax purposes; defining income in computing low income credit; providing apportionment in computing minimum tax on preference items; allowing a carryback period for out-of-state losses; authorizing the commissioner of revenue to release information to assessors; amending Minnesota Statutes 1976, Sections 270.07, by adding a subdivision; 270.075, Subdivision 2; 270.076, Subdivision 1; 272.08; 273.13, Subdivision 19, and by adding a subdivision; 290.01, by adding subdivisions; 290.46; 290.47; 290.48, Subdivisions 1 and 2; 290A.11, Subdivision 1; 290A.12; 292.08, Subdivision 4; 292.09, Subdivision 3; 294.02; 294.021; 297.07, Subdivision 3; 297.09, Subdivision 5; 297.35, Subdivision 3; 297.37, Subdivision 5; 297A.31, Subdivision 1; 297A.33, Subdivision 1; and Chapter 270, by adding a section; Minnesota Statutes, 1977 Supplement, Sections 124.212, Subdivision 11; 273.13, Subdivisions 4 and 6; 275.50, Subdivision 5; 275.51, Subdivision 3d; 290.012, Subdivision 2; 290.091; 290.17; 298.282, Subdivision 2; 298.48, Subdivision 4; repealing Laws 1977, Chapter 307, Section 27.

Referred to the Committee on Taxes and Tax Laws.

H. F. No. 2111: A bill for an act relating to aeronautics; providing for reimbursement for services; changing the permitted number of certain types of airports; permitting municipalities flexibility in airport acquisition; amending Minnesota Statutes 1976, Sections 360.015, Subdivision 7; 360.032, by adding a subdivision; and 360.305, Subdivision 3.

Referred to the Committee on Transportation.

H. F. No. 2372: A bill for an act relating to public employee labor relations; including physical therapists and occupational therapists in the definition of "teacher"; amending Minnesota Statutes 1976, Section 179.63, Subdivision 13.

Referred to the Committee on Employment.

H. F. No. 1612: A bill for an act relating to military justice; providing for military judges; modifying court composition and punishment authority; making other changes consistent and current federal military law; amending Minnesota Statutes 1976, Sections 192A.015; 192A.02; 192A.045; 192A.06; 192A.085; 192A.09; 192A.10; 192A.105; 192A.11, Subdivision 3; 192A.12; 192A.13; 192A.14; 192A.145, Subdivisions 3 and 4; 192A.15; 192A.155; 192A.16; 192A.165; 192A.18, Subdivisions 1 and 2; 192A.195; 192A.205; 192A.21, Subdivision 2; 192A.215; 192A.22;

192A.225; 192A.23; 192A.245; 192A.25, Subdivision 2; 192A.265, Subdivision 1; 192A.275; 192A.28; 192A.29; 192A.305; 192A.315; 192A.345, Subdivisions 2 and 3; 192A.355; 192A.47; 192A.555; 192A.585; 192A.595, Subdivision 1; 192A.61, Subdivision 3; 192A.615; Chapter 192A by adding sections; and repealing Minnesota Statutes 1976, Sections 192A.01, Subdivision 2; 192A.04, Subdivisions 4 and 5; 192A.125; and 192A.565.

Referred to the Committee on Judiciary.

H. F. No. 1931: A bill for an act relating to agriculture; corporate farming; providing new definitions; declaring the desirability of family farm stability; amending Minnesota Statutes 1976, Sections 268.04, Subdivision 31; 308.11; 500.24; and Minnesota Statutes, 1977 Supplement, Section 176.041, Subdivision 1.

Referred to the Committee on Agriculture and Natural Resources.

H. F. No. 1773: A bill for an act relating to unemployment compensation; providing limited benefits to certain employees; amending Minnesota Statutes, 1977 Supplement, Section 268.09, Subdivision 1.

Referred to the Committee on Employment.

H. F. No. 2020: A bill for an act relating to workers' compensation; changing the definition of family farms; amending Minnesota Statutes, 1977 Supplement, Section 176.011, Subdivision 11a.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1915 now on General Orders.

H. F. No. 2023: A bill for an act relating to retirement; the highway patrolmen's retirement fund; payment of survivor benefits; amending Minnesota Statutes 1976, Section 352B.11, Subdivision 2.

Referred to the Committee on Governmental Operations.

H. F. No. 2175: A bill for an act relating to the city of South St. Paul; authorizing an on-sale liquor license for Wakota arena.

Referred to the Committee on Commerce.

H. F. No. 2283: A bill for an act relating to the division of highway patrol; concerning salaries; increasing the salary of a corporal; amending Minnesota Statutes, 1977 Supplement, Section 299D.03, Subdivision 2.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 2045.

H. F. No. 649: A bill for an act relating to intoxicating liquor; authorizing certain counties to issue off-sale liquor licenses in

unorganized areas of the county; amending Minnesota Statutes 1976, Section 340.11, by adding a subdivision.

Referred to the Committee on Commerce.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted, with the exception of the report on S. F. No. 2016 and reports pertaining to appointments. The motion prevailed.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 2045: A bill for an act relating to the division of highway patrol; concerning salaries; increasing the salary of a corporal; amending Minnesota Statutes, 1977 Supplement, Section 299D.03, Subdivision 2.

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

Page 4, after line 29, insert

"Sec. 2. [EFFECTIVE DATE.] This act is effective retroactive to July 6, 1977."

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

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

S. F. No. 2178: A bill for an act relating to workers' compensation; providing retraining benefits for certain employees; amending Minnesota Statutes, 1977 Supplement, Section 176.101, Subdivision 7.

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

Page 2, line 9, reinstate the stricken language

Page 2, lines 10 to 12, strike the new language

Page 2, line 13, reinstate "of"

Page 2, line 13, reinstate "compensation"

Page 2, lines 14 to 16, reinstate the stricken language

Page 2, line 16, strike "if"

Page 2, lines 20 and 21, strike the new language and insert:

"No payment shall be due under section 176.101, subdivisions 1, 2, 4, or 5 for the actual period of retraining for which weekly compensation benefits are paid under this subdivision."

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

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

S. F. No. 2159: A bill for an act relating to agriculture; public local grain warehouses; requiring warning on certain grain purchase contracts; amending Minnesota Statutes 1976, Section 232.13.

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

Page 1, line 13, strike "Such" and insert "The"

Page 1, lines 15, 16, and 19, strike "such" and insert "the"

Page 1, line 19, after "rules" strike "and"

Page 1, line 20, strike "regulations" and "said"

Page 2, line 4, strike "Such" and insert "The"

Page 2, lines 6, 10, 12, and 16, strike "such" and insert "the"

Page 3, line 2, strike "the buyer" and insert "a purchaser licensed under chapter 232"

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

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

S. F. No. 1772: A bill for an act relating to game and fish; exemptions from fishing license requirements for certain institutional inmates; amending Minnesota Statutes 1976, Section 98.47, Subdivision 12.

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

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1976, Section 97.40, Subdivision 27, is amended to read:

Subd. 27. "~~Minnow~~ "Live bait retailer" includes any person who is engaged in the business of selling minnows or leeches at retail from an established place of business, or transporting minnows in excess of 12 dozen or leeches in excess of 50 dozen from a place of wholesale purchase to his place of business. "~~Minnow~~ "Live bait dealer" includes any person engaged in taking minnows or leeches for sale, buying minnows or leeches for resale, selling minnows or leeches at wholesale, or transporting minnows or leeches for sale within the state. *The restriction of sections 97.40, 97.45, 97.55 and 101.42 as it pertains to leeches shall not apply to anyone 16 years of age or under.*

Sec. 2. Minnesota Statutes 1976, Section 97.45, Subdivision 15, is amended to read:

Subd. 15. The following restrictions on the transportation of

minnows or leeches apply only to quantities in excess of 12 dozen minnows or 50 dozen leeches. The following restrictions do not apply to minnows being transported through the state pursuant to a permit issued by the commissioner under section 101.42, subdivision 6. No person shall transport any minnows or leeches beyond the boundaries of the state, except fathead minnows, which may be transported without the state by any resident minnow live bait dealer holding an exporting minnow dealers license. The commissioner may issue permits to resident live bait dealers to transport leeches without the state. No person who is not a resident shall transport, be employed as a helper, or assist in transporting minnows or leeches within the state. No motor vehicle which is not registered and licensed in this state and which is not licensed under section 98.46, subdivision 5, clause 11, shall contain minnows or leeches or be used to transport minnows or leeches in Minnesota. It shall be unlawful for any person to assist any nonresident in transporting or possessing more than 12 dozen minnows or 50 dozen leeches within the boundaries of this state. A minnow live bait retailer who transports minnows or leeches from a place of wholesale purchase to his place of business shall transport the minnows or leeches by the most convenient and direct route.

Sec. 3. Minnesota Statutes 1976, Section 97.55, Subdivision 13, is amended to read:

Subd. 13. Every person who buys, sells, transports, or possesses minnows or leeches in violation of any provisions of chapters 97 to 102, or who violates any duly adopted order, rule, or regulation of the commissioner pertaining to the buying, selling, transporting, or possession of minnows or leeches shall be guilty of a misdemeanor.

Sec. 4. Minnesota Statutes 1976, Section 98.46, Subdivision 5, is amended to read:

Subd. 5. Fees for the following licenses, to be issued to residents only, shall be:

(1) To spear fish from a dark house, \$5;

(2) For any fish house or dark house used during the winter fishing season, \$3 for each fish house or dark house not rented or offered for hire, and \$10 for each fish house or dark house rented or offered for hire. Each such fish house or dark house shall have attached to the outside a metal tag at least two inches in diameter with a 3/16 inch hole in the center, which will be issued with a license. Each metal tag shall be stamped with a number to correspond with the fish house or dark house license and also shall be stamped with the year of issuance. The metal tag shall be attached to the fish house or dark house as designated by commissioner's order;

(3) To net whitefish, tullibeas or herring from inland lakes or international waters, for domestic use only, for each net, \$3;

(4) To conduct a taxidermist business, \$10;

- (5) To maintain fur and game farms, including deer, \$10;
- (6) To take mussels or clams, \$25;
- (7) To take, transport, purchase and possess for sale unprocessed turtles and tortoises within the state, \$25;
- (8) To prepare dressed game fish shipments for nonresidents as provided by section 97.45, subdivision 6, as amended, \$10;
- (9) Minnow Live bait dealer, \$50 plus \$10 for each vehicle;
- (10) Minnow Live bait dealer's helper, \$5 for each helper. Minnow Live bait dealer's helpers' licenses shall be issued to the minnow live bait dealer and are transferable by the dealer at will to his own helpers;
- (11) Exporting minnow dealer, \$200, plus \$10 for one vehicle only. No licenses to transport fathead minnows beyond the boundaries of the state will be issued for 1961 calendar year after the effective date of Laws 1961, Chapter 477, and the number issued prior to the effective date of Laws 1961, Chapter 477 will not be exceeded in subsequent years. The renewal of such existing licenses will be reserved through April 1 of the following year; licenses not so renewed will not be made available until the total number has been reduced to below 35 licenses.

Each vehicle license shall cover a specified vehicle. The serial number, license number, make, and model shall be specified on the license which must be conspicuously posted in the vehicle licensed. No vehicle shall be licensed if the maximum tank capacity exceeds 300 cubic feet, inside measurement, and unless it complies with reasonable regulations adopted pursuant to the provisions of section 101.42, subdivision 5.

The exporting minnow dealer's license and vehicle license are void upon the sale of the business or death of the licensee. Provided, however, a succeeding owner of the business upon meeting the required qualifications will be issued the required licenses upon application and payment therefor. In the event of the death of the licensee the administrator or executor of the estate may purchase such licenses and operate the business until the sale thereof. If there is no estate then the widow or a member of the immediate family, if qualified, will be issued the required licenses upon application and payment therefor.

Sec. 5. Minnesota Statutes 1976, Section 98.46, Subdivision 17, is amended to read:

Subd. 17. Fees for the following licenses, to be issued to either residents or nonresidents, shall be:

- (1) To deal in live or engage in the business of preserving minnows or leeches ; minnow live bait retailer, \$5 plus \$10 for each vehicle used to transport minnows or leeches .
- (2) To raise fish in a private hatchery, \$25.
- (3) To take under state supervision sucker eggs from public waters, for private fish hatchery purposes:

- (a) To take not to exceed 100 quarts, \$100;
- (b) To take in excess of 100 quarts, \$2 per quart for such excess."

Page 1, line 8, strike "Section 1" and insert "Sec. 6"

Page 1, after line 15, insert:

"Sec. 7. Minnesota Statutes 1976, Section 101.42, Subdivision 5, is amended to read:

Subd. 5. Except as otherwise specifically permitted, it shall be unlawful to take minnows with a seine more than 25 feet in length or more than 148 meshes in depth of one-fourth inch bar measure or more than 197 meshes in depth of 3/16 inch bar measure or more than four feet in depth if material of smaller than 3/16 inch bar measure is used; to take minnows or leeches from waters designated by the commissioner as trout lakes or trout streams without a special permit which the commissioner may issue when conditions warrant; to possess or transport minnows or leeches for sale except with the use of equipment approved by regulations of the commissioner; or to take minnows or leeches from any waters from one hour after sunset to one hour before sunrise. Licensed minnow live bait dealers may take minnows, except from waters designated by the commissioner as trout lakes or trout streams, with a seine not more than 50 feet in length or more than 222 meshes in depth of one-fourth inch bar measure or more than 296 meshes in depth of 3/16 inch bar measure, or more than six feet in depth if material of smaller than 3/16 inch bar measure is used.

Sec. 8. Sections 1 to 5 and 7 of this act are effective January 1, 1979. Section 6 is effective the day following final enactment."

Amend the title as follows:

Line 2, after the semicolon insert "amending certain laws concerning minnows and leeches;"

Line 4, strike "Section" and insert "Sections 97.40, Subdivision 27; 97.45, Subdivision 15; 97.55, Subdivision 13; 98.46, Subdivisions 5 and 17;"

Line 5, after "12" insert "; and 101.42, Subdivision 5"

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

Mr. Gearty from the Committee on Elections, to which was referred

S. F. No. 1345: A bill for an act relating to elections; recognizing the effect of election day registration on activities in the polling place; amending Minnesota Statutes 1976, Sections 200.02, Subdivision 16; 204A.11; 204A.12, Subdivision 3; 204A.34, by adding a subdivision; and 204A.37, Subdivision 1.

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

Strike section 2 on pages 1 to 3 and insert:

"Sec. 2. Minnesota Statutes 1976, Section 204A.11, Subdivision 2, is amended to read:

Subd. 2. [BOOTHES, EQUIPMENT.] Each polling place shall consist of a single room, containing contain a number of booths or compartments in proportion to the number of voters in the precinct. Each booth shall be six feet high, three feet deep, and at least two feet wide, with a shelf, at least one foot wide, extending from side to side at a convenient height for writing, to be provided with a door or curtain so that the voter may be free from observation while marking his ballot. Each compartment shall be constructed so that the voter may be free from observation while marking his ballot. At all times when in use the booths and compartments shall be provided with instructions, an indelible pencil, and other supplies needful in marking the ballots. The boxes, booths, compartments, and judges shall be in open public view.

Sec. 3. Minnesota Statutes 1976, Section 204A.11, is amended by adding a subdivision to read:

Subd. 4. [ELECTION DAY REGISTRATION.] *If possible, provision shall be made for registration of voters on election day in the room where voting takes place. If necessary, an adjacent room may be used for election day registration. The registration of voters shall be conducted in open public view.*"

Page 3, after line 32, insert:

"Sec. 7. [EFFECTIVE DATE.] *This act is effective the day following final enactment.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after "204A.11" insert ", Subdivision 2, and by adding a subdivision"

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

Mr. Gearty from the Committee on Elections, to which was referred

S. F. No. 2139: A bill for an act relating to municipal elections; providing for the hours of voting; establishing procedures for establishing candidacy; establishing filing fees; providing for the printing of election materials and ballots; providing for publication and posting of sample ballots; amending Minnesota Statutes 1976, Sections 205.021; 205.03; 205.13; 205.14, Subdivisions 1 and 3; and 205.16, Subdivision 2, and by adding a subdivision; repealing Minnesota Statutes 1976, Section 365.60.

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

Page 4, line 13, strike "council" and insert "*governing body*"

Page 4, line 19, strike "council" and insert "governing body"

Page 5, line 6, strike "In all statutory"

Page 5, line 7, strike "and home rule charter cities and in all towns,"

Page 5, line 8, strike "the" and insert "any"

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

Mr. Tennessen from the Committee on Commerce, to which was referred

S. F. No. 1618: A bill for an act relating to fire and related insurance; permitting cancellation of fire and related insurance policies only under certain circumstances; requiring notice of reason for cancellation or nonrenewal; amending Minnesota Statutes 1976, Section 65A.01, Subdivision 3.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 65A.01, is amended by adding a subdivision to read:

Subd. 3a. There shall be printed in the policy or an endorsement attached to the policy a printed form in the following words:

When this policy has been issued to cover buildings used for residential purposes other than a hotel or motel and has been in effect for at least six months, or if it has been renewed, this policy shall not be cancelled, except for one or more of the following reasons which shall be stated in the notice of cancellation:

- (a) Nonpayment of premium;*
- (b) Misrepresentation or fraud made by or with the knowledge of the insured in obtaining the policy or in pursuing a claim thereunder;*
- (c) An act of the insured which materially increases the risk originally accepted;*
- (d) Physical changes in the insured property which are not corrected or restored within a reasonable time after they occur and which result in the property becoming uninsurable; or*
- (e) Non-payment of dues to an association or organization, other than an insurance association or organization, where payment of dues is a prerequisite to obtaining or continuing the insurance.*

Provided, however, that this limitation on cancellation shall not apply to additional coverages in a divisible policy, other than a policy of fire and extended coverage insurance. If this company cancels the additional coverages, it may issue a new, separate fire

policy at a premium calculated on a pro rata basis for the remaining period of the original policy.

Sec. 2. Minnesota Statutes 1976, Section 65A.01, is amended by adding a subdivision to read:

Subd. 6. When policies covered by this section are subject to limitations or cancellation as provided in subdivision 3a, the notice of cancellation shall include a statement of the reason for cancellation in a sufficiently clear and specific form so that an insured of reasonable intelligence will be able to identify the basis for the company's cancellation without making further inquiry."

Amend the title as follows:

Page 1, line 7, strike "Subdivision 3" and insert "by adding subdivisions"

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

Mr. Tennesen from the Committee on Commerce, to which was referred

S. F. No. 1850: A bill for an act relating to intoxicating liquor; items offered for sale in exclusive liquor stores; amending Minnesota Statutes 1976, Section 340.07, Subdivision 13.

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

Amend the title as follows:

Page 1, line 2, strike "items" and insert "permitting gift cards and tags to be"

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

Mr. Tennesen from the Committee on Commerce, to which was referred

S. F. No. 2300: A bill for an act relating to commerce; requiring certain disclosures by foreign currency exchanges operated at airports; providing remedies.

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

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

Page 1, line 14, strike "; and" and insert a period

Page 1, strike lines 15 to 19

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

Mr. Tennesen from the Committee on Commerce, to which was referred

S. F. No. 2170: A bill for an act relating to commerce; credit unions; modifying reserve fund requirements; amending Minnesota Statutes 1976, Section 52.17.

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

Page 2, line 25, strike the semicolon and insert a period

Page 2, line 26, strike "(c)"

Page 2, line 28, after "replenished" insert "in the manner provided by clause (a) or (b)"

Page 2, line 29, strike "in such amounts as may be needed"

Page 2, after line 30 insert:

"Loans to other credit unions shall not be included in computing outstanding loans and risk assets pursuant to clauses (a) and (b)."

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

Mr. Tennessen from the Committee on Commerce, to which was referred

H. F. No. 2000: A bill for an act relating to rates of interest on money; permitting higher interest rates for loans secured by savings and time deposit accounts; amending Minnesota Statutes 1976, Chapter 334, by adding a section.

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

Mr. Olson from the Committee on General Legislation and Veteran Affairs, to which was referred

H. F. No. 1878: A bill for an act relating to drivers licenses; application and filing with clerk of the district court; providing that the commissioner of public safety may appoint an agent to assist the clerk in accepting applications under certain circumstances.

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

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

S. F. No. 2152: A bill for an act relating to unemployment compensation; waiving interest penalties for certain excusable delays in payment of employer contributions; amending Minnesota Statutes 1976, Section 268.16, Subdivision 1, and by adding a subdivision.

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

Page 1, line 12, reinstate the stricken language and strike the new language

Page 1, lines 13 and 14, strike the new language

Page 1, line 15, reinstate the stricken language

Page 2, line 3, after the period insert "*Interest on contributions due under this subdivision may be waived in accordance with rules as the commissioner may prescribe.*"

Page 2, strike section 2

Renumber the remaining section

Amend the title as follows:

Page 1, line 2, strike "waiving" and insert "permitting the commissioner to waive"

Page 1, line 6, strike ", and by adding a subdivision"

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

Mr. Olson from the Committee on General Legislation and Veteran Affairs, to which was referred

S. F. No. 2248: A bill for an act relating to peace officers and constables; requiring training and licensing for all peace officers; requiring training and licensing for constables; establishing the position of deputy constable; amending Minnesota Statutes 1976, Sections 367.03, Subdivisions 1 and 3; 367.22; 382.28; 626.843, by adding a subdivision; Chapter 367, by adding sections; and Minnesota Statutes, 1977 Supplement, Sections 626.84; 626.843, Subdivisions 1 and 3; 626.845; 626.846, Subdivisions 1, 2 and 3, and by adding subdivisions; 626.847; 626.848; and 626.851, Subdivision 2; repealing Minnesota Statutes, 1977 Supplement, Section 626.853.

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

Page 2, line 12, strike ", one of whom shall be a constable"

Page 2, line 12, strike "other two"

Page 2, line 21, strike ", one of whom shall be a"

Page 2, line 22, strike "constable,"

Page 3, line 8, after "employed" insert ", appointed"

Page 3, line 16, after "employed" insert ", appointed"

Page 6, line 21, strike "three" and insert "two"

Page 6, line 22, strike ", one of whom shall be a constable,"

Page 6, line 23, strike "other two"

Page 6, line 24, strike "positions" and insert "position"

Page 6, line 24, strike "any combination of" and insert "a"

Page 6, line 25, strike "officers" and insert "officer"

Page 6, line 25, strike "constables" and insert "constable"

Page 6, line 26, strike "constables" and insert "constable"

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

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

S. F. No. 2294: A bill for an act relating to taxation; tax returns; excepting certain tax information about liquor license applicants from confidentiality requirements; requiring liquor license applicants to have paid certain taxes; amending Minnesota Statutes 1976, Sections 297A.43; 340.01; and Minnesota Statutes, 1977 Supplement, Section 290.61.

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

Page 1, line 23, strike " 340.01 " and insert " 2 "

Page 3, after line 6, insert

"Sec. 2. Minnesota Statutes 1976, Chapter 290, is amended by adding a section to read:

[290.612] [INQUIRIES RELATED TO APPLICATIONS FOR LIQUOR LICENSES.] *Any county or municipality may request the commissioner of revenue to certify whether or not an applicant for a license to be issued pursuant to sections 340.01 or 340.13 is liable for any state or local taxes or assessments which were not paid when they became due. Upon a request from a county or municipality, the commissioner shall certify to the county or municipality the information requested, but shall not certify that the license applicant is liable for any unpaid state or local taxes or assessments if an administrative or court action which questions the amount or validity of the unpaid taxes or assessments has been commenced, or if the appeal period to contest the taxes or assessments has not yet expired.*"

Page 3, line 20, strike " 340.01 " and insert " 4 "

Pages 4 and 5, strike section 3 and insert:

"Sec. 4. Minnesota Statutes 1976, Chapter 297A, is amended by adding a section to read:

[297A.431] [INQUIRIES RELATED TO APPLICATIONS FOR LIQUOR LICENSES.] *Any county or municipality may request the commissioner of revenue to certify whether or not an applicant for a license to be issued pursuant to sections 340.01 or 340.13 is liable for any state or local taxes or assessments which were not paid when they became due. Upon a request from a county or municipality the commissioner shall certify to the county or municipality the information requested, but shall not*

certify that the license applicant is liable for any unpaid state or local taxes or assessments if an administrative or court action which questions the amount or validity of the unpaid taxes or assessments has been commenced, or if the appeal period to contest the taxes or assessments has not yet expired. ”

Renumber the sections in sequence

Amend the title as follows:

Page 1, strike line 5

Page 1, line 6, strike “certain taxes;”

Page 1, line 7, strike “Sections” and insert “Section”

Page 1, line 7, strike “340.01” and insert “Chapters 290, by adding a section; and 297A, by adding a section”

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

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

S. F. No. 2182: A bill for an act relating to corrections; classifying the records of inmates of state correctional institutions; amending Minnesota Statutes 1976, Section 241.06.

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

Page 1, line 9, strike “DEPARTMENT OF CORRECTIONS” and insert “CLASSIFICATION”

Page 1, strike lines 10 through 14

Page 1, line 15, strike “*place of birth, occupation,*”

Page 2, strike the new language on lines 11 through 17

Page 2, line 17, strike the period

Page 2, line 18, strike “*Subd. 2. [CLASSIFICATION OF RECORDS.]*”

Page 2, line 21, strike “*described in subdivision 1 shall be*” and insert “*maintained by the commissioner of corrections for persons subject to his control pursuant to conviction of a crime or adjudication of delinquency is*”

Page 2, line 21, strike “; *provided,*” and insert “*data on individuals as defined in section 15.162, subdivision 5a, except that access to medical, psychiatric and psychological data by the individual who is the subject of the data is governed by the provisions of section 144.335.*”

Page 2, line 22, strike “*however, that*”

Page 2, line 25, strike “*interested*”

Page 2, line 26, after “*agencies*” insert “*who have a reason to know*”

Page 2, line 26, strike “, inmate, or” and insert “*subject to his control pursuant to conviction of a crime or adjudication of delinquency*”

Page 2, line 27, strike “convict thereat,”

Page 2, line 28, strike the second “the” and insert “*that*”

Page 2, line 28, strike “, inmate, or convict”

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

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

H. F. No. 1908: A bill for an act relating to education; teachers; requiring expungement of certain material from a teacher's file; amending Minnesota Statutes 1976, Section 125.12, Subdivision 6.

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

Page 2, strike lines 3 to 17

Page 2, after line 17 insert:

“Sec. 2. Minnesota Statutes 1976, Section 125.12, is amended by adding a subdivision to read:

Subd. 14. [RECORDS RELATING TO INDIVIDUAL TEACHER; ACCESS; EXPUNGEMENT.] All evaluations and files generated within a school district relating to each individual teacher shall be available to each individual teacher upon his written request. Effective January 1, 1976, all evaluations and files, wherever generated, relating to each individual teacher shall be available to each individual teacher upon his written request. The teacher shall have the right to reproduce any of the contents of the files at the teacher's expense and to submit for inclusion in the file written information in response to any material contained therein.

A school district may destroy the files as provided by law and shall expunge from the teacher's file any material found to be false or substantially inaccurate through the grievance procedure required pursuant to section 179.70, subdivision 1, except the grievance procedure required pursuant to section 179.70, subdivision 1, shall not be available to superintendents, principals and other supervisory employees. Expungement proceedings shall be commenced within the time period provided in the collective bargaining agreement for the commencement of a grievance. If no time period is provided in the bargaining agreement, the expungement proceedings shall commence within 15 days after the teacher has knowledge of the inclusion in his file of the material he seeks to have expunged.

Sec. 3. Minnesota Statutes 1976, Section 125.17, Subdivision 12, is amended to read:

Subd. 12. [RECORDS RELATING TO INDIVIDUAL

TEACHER; ACCESS; EXPUNGEMENT.] All evaluations and files generated within a school district relating to each individual teacher shall be available to each individual teacher upon his written request. Effective January 1, 1976, all evaluations and files, wherever generated, relating to each individual teacher shall be available to each individual teacher upon his written request. The teacher shall have the right to reproduce any of the contents of the files at the teacher's expense and to submit for inclusion in the file written information in response to any material contained therein ; provided, however,

A school district may destroy such the files as provided by law , and shall expunge from the teacher's file any material found to be false or substantially inaccurate through the grievance procedure required pursuant to section 179.70, subdivision 1, except the grievance procedure required pursuant to section 179.70, subdivision 1, shall not be available to superintendents, principals, and other supervisory employees. Expungement proceedings shall be commenced within the time period provided in the collective bargaining agreement for the commencement of a grievance. If no time period is provided in the bargaining agreement, the expungement proceedings shall commence within 15 days after the teacher has knowledge of the inclusion in his file of the material he seeks to have expunged."

Amend the title as follows:

Page 1, line 4, strike "Section" and insert "Sections"

Page 1, line 5, after "6" insert ", and by adding a subdivision; and 125.17, Subdivision 12"

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

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

S. F. No. 1954: A bill for an act relating to the organization and operation of state government; the payment of claims against the state and its employees; amending Minnesota Statutes 1976, Sections 3.732, Subdivision 1; and 3.736, Subdivision 9, and by adding a subdivision.

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

Page 1, line 19, after the comma, insert "*the Minnesota Higher Education Coordinating Board,*"

Page 2, line 26, after "pay" insert "*the indebtedness under the*"

Page 2, line 27, strike "*such*"

Page 3, lines 3 and 6, strike "*such an*" and insert "*the*"

Page 3, line 24, strike the first and second "*such*"

Page 3, line 27, strike "*such*"

Page 3, line 29, strike "*such a*" and insert "*the*"

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

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

S. F. No. 1117: A bill for an act relating to real estate; providing requirements for the recordability of certain documents; amending Minnesota Statutes 1976, Section 507.24.

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

Page 2, line 2, strike "*not accept any plat, deed or other instrument*" and insert "*note the real property parcel identifier number on all documents affecting title to real property at the time of recording or filing*"

Page 2, strike lines 3 to 9

Page 2, line 10, strike "*plat or to the land described in the instrument*"

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

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

S. F. No. 1788: A bill for an act relating to veterans; classification of records; amending Minnesota Statutes 1976, Section 197.603.

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

Page 1, line 21, after "*custody*" insert a period and strike "*and*"

Page 2, line 1, strike "*individuals contained in the records*" and insert "*clients' applications for assistance*"

Page 2, line 1, strike the semicolon and insert "*on individuals, as defined in section 15.162, subdivision 5a.*"

Page 2, strike lines 2 to 4

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

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

S. F. No. 740: A bill for an act relating to health; providing injunctive relief for the state board of health; authorizing appeal to the district court; authorizing subpoenas.

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

Strike everything after the enacting clause and insert:

"Section 1, Minnesota Statutes 1976, Chapter 144, is amended by adding a section to read:

[144.120] [INJUNCTIVE RELIEF.] *In addition to any other remedy provided by law, the commissioner of health or local board of health may bring an action in the district court in the county in which the activity or practice sought to be enjoined occurs, to enjoin any violation or threatened violation of a statute, rule, standard, order, stipulation, agreement, consent order, variance, or any other directive which the commissioner of health or local board of health is empowered to enforce, issue, enter into, or promulgate. Any such activity or practice may be enjoined as a public nuisance.*

Sec. 2. [EFFECTIVE DATE.] *This act is effective the day following final enactment."*

Amend the title as follows:

Page 1, line 2, strike "providing" and insert "authorizing the commissioner of health to seek"

Page 1, line 2, after "relief" insert "; amending Minnesota Statutes 1976, Chapter 144, by adding a section."

Page 1, strike lines 3 and 4

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

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

S. F. No. 427: A bill for an act relating to education; school districts; tort liability; removing school district immunity as to certain claims; amending Minnesota Statutes 1976, Section 466.03, Subdivision 6.

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

Strike everything after the enacting clause and insert:

"Section 1, Minnesota Statutes 1976, Chapter 471, is amended by adding a section to read:

[471.98] [INDEMNITY AGAINST TORT CLAIMS.] *Each political subdivision shall indemnify any employee or officer against judgments or any amounts paid in settlement actually and reasonably incurred in connection with any tort claim or demand arising out of an alleged act or omission occurring in the performance of his employment or official duties, subject to the limitations set forth in section 466.04."*

Amend the title as follows:

Strike the title in its entirety and insert

"A bill for an act relating to tort liability; requiring political subdivisions to indemnify officers and employees for certain judgments and settlements; amending Minnesota Statutes 1976, Chapter 471, by adding a section."

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

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 1932: A bill for an act relating to the organization and operation of government; requiring a study of the proper role and structure of metropolitan government agencies; requiring a review of the distribution of powers and duties between the metropolitan council, the metropolitan commissions, the legislature and political subdivisions within the metropolitan area; mandating a report; providing for certain services to be performed by the state planning agency; appropriating money.

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

Page 1, line 14, strike everything after ".]"

Page 1, strike lines 15 to 25

Page 2, line 1, strike everything before "The"

Page 2, line 5, after the period insert "As used in this act, "metropolitan area" shall be as defined in Minnesota Statutes, Section 473.121."

Page 2, line 9, strike "24" and insert "15"

Page 2, strike lines 10 to 32

Page 3, strike lines 1 to 3

Page 3, line 4, strike "(i) Five" and insert "Nine"

Page 3, line 5, strike "no two of whom" and insert "three members of the senate appointed by the subcommittee on committees and three members of the house appointed by the speaker. Of the members appointed by the governor, none shall be members or employees of the metropolitan council or commissions, none shall be officers, members or employees of the governing bodies of political subdivisions in the metropolitan area, and no more than three"

Page 3, strike lines 7 to 10

Page 3, line 11, strike "subdivisions."

Page 3, line 12, strike "pursuant to"

Page 3, line 13, strike "subdivision 1, clause (i)" and insert "by him"

Page 3, strike line 20 and insert "legislative coordinating commission."

Page 3, strike lines 21 to 23

Renumber remaining subdivisions in sequence

Page 4, line 23, strike the period and insert a semicolon

Page 4, after line 23, insert

“(g) Whether the structure and procedures of existing local government units are consistent with the comprehensive policy of the task force; and

(h) Whether mechanisms are needed to increase legislative oversight of metropolitan government activities.”

Page 4, line 28, strike “state planning agency” and insert “legislative coordinating commission”

Amend the title as follows:

Page 1, lines 10 and 11, strike “state planning agency” and insert “legislative coordinating commission”

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

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 2187: A bill for an act relating to public health; providing certain state assistance to community health service agencies for the purpose of improving dental health of nursing home residents; appropriating money.

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

Strike everything after the enacting clause and insert:

“Section 1. [DENTAL HEALTH STUDY OF LONG-TERM CARE RESIDENTS.] The commissioner of health shall conduct a study of the dental health status of a representative sampling of residents and patients in long-term care facilities, shall evaluate practical, cost-effective, and appropriate methodologies to meet the dental health needs of patients and residents, and shall prepare and submit to the legislature on or before March 1, 1979, a report of these findings and recommendations for assuring that effective preventive and corrective dental health measures are available to these residents and patients.

Sec. 2. The sum of \$60,000 is appropriated from the general revenue fund for the biennium ending June 30, 1979.”

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

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 2016: A bill for an act relating to crimes; authorizing counties to establish victim support funds and to provide services to victims of crime; providing for a penalty assessment on convicted persons; appropriating money.

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

Page 3, line 7, after "counties" insert "in cooperation with existing criminal justice planning councils"

Page 3, line 29, strike ", as a" and insert "impose and collect an assessment for all offenses defined as misdemeanors, gross misdemeanors and felonies. The assessment shall be in addition to the penalty for the offense as provided by law and shall be in an amount not less than \$5 nor more than \$30."

Page 3, strike lines 30 to 31 and line 32 before "The"

Page 3, line 32, strike "penalty"

Page 4, line 4, strike "penalty"

Amend the title as follows:

Page 1, lines 4 to 5, strike "a penalty" and insert "an"

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

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 1917: A bill for an act relating to children; requiring a welfare agency receiving a report of a maltreated minor to notify the local police department; amending Minnesota Statutes 1976, Section 626.556, Subdivisions 3 and 7; and Minnesota Statutes, 1977 Supplement, Section 626.556, Subdivision 11.

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

Page 1, before line 10, insert:

"Section 1. Minnesota Statutes 1976, Section 626.556, Subdivision 1, is amended to read:

626.556 [REPORTING OF MALTREATMENT OF MINORS.] Subdivision 1. [PUBLIC POLICY.] The legislature hereby declares that the public policy of this state is to protect children whose health or welfare may be jeopardized through physical abuse, neglect or sexual abuse; to strengthen the family and make the home safe for children through improvement of parental and guardian capacity for responsible child care; and to provide a safe temporary or permanent home environment for physically or sexually abused children.

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

Sec. 2. Minnesota Statutes, 1977 Supplement, Section 626.556, Subdivision 2, is amended to read:

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

(a) "Sexual abuse" means the subjection by the child's parents, guardian, or person responsible for the child's care, to any act which constitutes a violation of sections 609.342, 609.343, 609.344, or 609.345.

(b) "Neglected child" shall have the meanings defined in section 260.015, subdivision 10. "Neglect" means failure by a parent, guardian or other person responsible for a child's care to supply a child with necessary food, clothing, shelter or medical care when reasonably able to do so. Nothing in this section shall be construed to mean that a child is neglected solely because the child's parent, guardian or other person responsible for his care in good faith selects and depends upon spiritual means or prayer for treatment or care of disease or remedial care of the child.

(c) "Physical abuse" means:

(i) Any physical injury inflicted by a parent, guardian or other person responsible for the child's care on a child other than by accidental means; or

(ii) Any physical injury or health defect that cannot reasonably be explained by the history of injuries provided by a parent, guardian or other person responsible for the child's care.

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

Page 1, line 17, after "being" insert "*neglected or*"

Page 1, line 19, strike "or" and insert a comma

Page 1, line 19, after "department" insert "*or the county sheriff*"

Page 1, line 20, after "department" insert "*or the county sheriff*"

Page 1, line 23, after "department" insert "*or the county sheriff*"

Page 2, line 5, strike "or" and insert a comma

Page 2, line 5, after "department" insert "*or the county sheriff*"

Page 2, line 8, after "department" insert "*or the county sheriff*"

Page 2, after line 9, insert:

"Sec. 4. Minnesota Statutes 1976, Section 626.556, Subdivision 4, is amended to read:

Subd. 4. [IMMUNITY FROM LIABILITY.] Any person, including those voluntarily making reports and those required to make reports under subdivision 3, participating in good faith

and exercising due care in the making of a report pursuant to this section shall have immunity from any liability, civil or criminal, that otherwise might result by reason of his action.

Sec. 5. Minnesota Statutes 1976, Section 626.556, Subdivision 6, is amended to read:

Subd. 6. [FAILURE TO REPORT.] Any person required by this section to report suspected physical or sexual child abuse or neglect who willfully fails to do so shall be guilty of a misdemeanor."

Page 2, line 16, after "department" insert "*the county sheriff*"

Page 2, line 21, after "department" insert "*or the county sheriff*"

Page 2, line 22, after "department" insert "*or the county sheriff*"

Page 2, line 25, after "department" insert "*or the county sheriff*"

Page 2, after line 25, insert:

"Sec. 7. Minnesota Statutes 1976, Section 626.556, Subdivision 8, is amended to read:

Subd. 8. [EVIDENCE NOT PRIVILEGED.] No evidence regarding the child's injuries shall be excluded in any proceeding arising out of the alleged neglect or physical or sexual abuse on the grounds of either a physician-patient or husband-wife privilege.

Sec. 8. Minnesota Statutes 1976, Section 626.556, Subdivision 9, is amended to read:

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

Page 2, line 30, after "private" insert "*data on individuals*"

Page 2, line 32, after "department" insert "*or the county sheriff*"

Page 3, line 1, after "department" insert "*or the county sheriff*", and after "private" insert "*data on individuals*"

Page 3, line 3, after "authority." insert "*The welfare board shall make available to the prosecuting authority only those records which contain information relating to a specific incident of neglect or abuse which is under litigation.*"

Page 3, line 11, after "agencies" insert ", the police department or county sheriff"

Page 3, line 22, after "agency" insert ", local police department or county sheriff"

Page 3, line 23, strike "neither"

Page 3, line 23, strike "nor" and insert a comma

Page 3, line 24, strike "is able" and insert "or county sheriff are unable"

Renumber the sections in sequence

Further amend the title as follows:

Page 1, line 4, after "department" insert "or county sheriff"

Page 1, line 5, delete "3 and" and insert "1, 3, 4, 6, 7, 8 and 9"

Page 1, line 6, delete "7"

Page 1, line 7, delete "Subdivision" and insert "Subdivisions 2 and"

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

Mr. Tennesen from the Committee on Commerce, to which was referred

S. F. No. 2158: A bill for an act relating to commerce; credit unions; authorizing approval of lines of credit by credit committee; amending Minnesota Statutes 1976, Sections 52.10 and 52.16.

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

Page 1, line 12, strike "such"

Page 1, line 18, strike "extends" and insert "approves the extension of"

Page 1, line 18, after "a" insert "self-replenishing"

Page 1, line 20, strike "such"

Page 2, line 14, strike "such" and insert "the"

Page 2, line 15, strike "such" and insert "these"

Page 2, line 22, strike "such" and insert "the"

Page 3, line 11, after "member" insert a comma

Page 3, line 11, after "a" insert "self-replenishing"

Page 3, line 12, strike "each" and insert "a"

Page 3, line 13, strike "such" and insert "the"

Page 3, line 13, after "a" insert "self-replenishing"

Page 3, line 14, strike "no" and insert a comma

Page 3, line 14, strike "are" and insert "may be"

Page 3, line 15, strike "as long as the aggregate obligation does not exceed"

Page 3, strike line 16 except for the period

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

Mr. Tennesen from the Committee on Commerce, to which was referred

S. F. No. 1900: A bill for an act relating to commerce; providing for delivery of motor vehicle certificates of title to owners; amending Minnesota Statutes 1976, Sections 168A.06; and 168A.20, Subdivision 1.

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

Page 1, strike section 1

Page 2, line 1, after the first "and" insert "send by certified"

Page 2, line 2, reinstate the old language and strike the new language

Page 2, lines 3 to 5, strike the new language

Renumber the remaining section

Amend the title as follows:

Page 1, line 4, strike "Sections" and insert "Section"

Page 1, line 5, strike "168A.06; and"

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

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

S. F. No. 2281: A bill for an act relating to Hennepin county municipal court; authorizing the establishment of three suburban court locations; amending Minnesota Statutes 1976, Section 488A.01, Subdivision 9.

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

Page 1, line 10, strike "(a) The municipal"

Page 1, strike lines 11 to 22

Page 2, strike lines 1 to 9

Page 2, line 10, strike "(c)"

Page 2, line 11, after "in" insert "the city of Minneapolis and"

Page 2, line 12, strike ", in conjunction with other existing or planned county" and insert a period

Page 2, strike lines 13 to 17

Amend the title as follows

Page 1, line 3, after "of" insert "court locations in the city of Minneapolis and in"

Page 1, line 4, strike "court"

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

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

S. F. No. 2130: A bill for an act relating to crimes; prescribing penalties for the possession of controlled substances on the premises of elementary, middle and secondary schools; amending Minnesota Statutes 1976, Section 152.15, by adding a subdivision.

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

Page 1, line 11, strike "18 years of age or over" and insert "not currently enrolled or registered as a pupil at the school"

Page 1, line 18, strike "18 years of age or older" and insert "not currently enrolled or registered as a pupil at the school"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 2342: A bill for an act relating to Olmsted county; authorizing the board of county commissioners to finance an addition to and to renovate the Olmsted county hospital.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 10, after "equip" strike "its" and insert "the"

Page 1, line 12, after "equipment from" strike "its" and insert "available"

Page 1, line 13, after "grants," strike "its"

Page 1, line 15, strike "when approved" and insert "upon approval"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 1985: A bill for an act relating to retirement; transit operating division of the metropolitan transit commission; transfer of pension coverage; termination of the metropolitan transit com-

mission — transit operating division employees retirement fund; amending Minnesota Statutes 1976, Sections 352.01, Subdivisions 2A and 11; and 352.22, by adding a subdivision; and Minnesota Statutes, 1977 Supplement, Sections 352.03, Subdivisions 1 and 2; and 473.415.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1976, Section 352.01, Subdivision 2A, is amended to read:

Subd. 2A. [INCLUDED EMPLOYEES.] The following persons are included in the meaning of state employee:

- (1) Employees of the Minnesota Historical Society.
- (2) Employees of the State Horticultural Society.
- (3) Employees of the Disabled American Veterans, Department of Minnesota, Veterans of Foreign Wars, Department of Minnesota, if employed prior to July 1, 1963.
- (4) Employees of the Minnesota Crop Improvement Association.
- (5) Employees of the adjutant general who are paid from federal funds and who are not covered by any federal civilian employees retirement system.
- (6) Employees of the state universities employed under the university activities program.
- (7) Currently contributing employees covered by the system who are temporarily employed by the legislature during a legislative session or any currently contributing employee employed for any special service as defined in item (8) of subdivision 2B.
- (8) Employees of the armory building commission.
- (9) Permanent employees of the legislature and persons employed or designated by the legislature or by a legislative committee or commission or other competent authority to make or conduct a special inquiry, investigation, examination or installation including permanent employees of the legislative research committee.
- (10) Trainees who are employed on a full time established training program performing the duties of the classified position for which they will be eligible to receive immediate appointment at the completion of the training period.
- (11) Employees of the Minnesota Safety Council.
- (12) *Employees of the transit operating division of the metropolitan transit commission and any employees on authorized leave of absence from the transit operating division who are employed by the labor organization which is the exclusive bargaining agent representing employees of the transit operating division.*

(13) Employees of the metropolitan council, metropolitan parks and open space commission, metropolitan transit commission, metropolitan waste control commission, metropolitan sports facilities commission or the metropolitan mosquito control commission unless excluded or covered by another public pension fund or plan pursuant to sections 473.141, subdivision 12, or 473.411, subdivision 3.

Sec. 2. Minnesota Statutes 1976, Section 352.01, Subdivision 11, is amended to read:

Subd. 11. [ALLOWABLE SERVICE.] "Allowable service" means:

(1) Any service rendered by an employee for which on or before July 1, 1957, he was entitled to allowable service credit on the records of the system by reason of employee contributions in the form of salary deductions, payments in lieu of salary deductions, or in any other manner authorized by Minnesota Statutes 1953, Chapter 352, as amended by Laws 1955, Chapter 239, or

(2) Any service rendered by an employee for which on or before July 1, 1961, he elected to obtain credit for service by making payments to the fund pursuant to Minnesota Statutes 1961, Section 352.24, or

(3) Any service rendered by an employee after July 1, 1957, for any calendar month in which he is paid salary from which deductions are made, deposited and credited in the fund, including deductions made, deposited and credited as provided in section 352.041, or

(4) Any service rendered by an employee after July 1, 1957 for any calendar month for which payments in lieu of salary deductions are made, deposited and credited in the fund, as provided in section 352.27 and Minnesota Statutes 1957, Section 352.021, Subdivision 4.

(For purposes of paragraphs (3) and (4) of this subdivision, any salary paid for a fractional part of any calendar month is deemed the compensation for the entire calendar month. The board of directors of the Minnesota state retirement system shall establish rules governing the accrual of allowable service credit for less than full time employment.), or

(5) The period of absence from their duties by employees who by reason of injuries incurred in the performance thereof are temporarily disabled and for which disability the state is liable under the worker's compensation law until the date authorized by the director for the commencement of payments of a total and permanent disability benefit from the retirement fund, or

(6) The unused portion of an employee's annual leave allowance for which he is paid salary, or

(7) Any employee who made payment in installments in order to obtain additional service credit but failed to make the final payment on or before July 1, 1962 shall be entitled to have credit

for all service for which the payments he made will entitle him under the provisions of Minnesota Statutes 1961, Section 352.24. In determining "the service for which the payments he made will entitle him" service credit shall extend retroactively from the latest service for which he made payment, or

(8) Former state employees who hold numbered certificates of deferred annuity who again become state employees shall surrender such certificates and shall be entitled to full credit for the service covered by the surrendered certificates, or

(9) Any service covered by refundment repaid as provided in section 352.23 but does not include service rendered as an employee of the adjutant general for which the person has credit with the federal civil service retirement system, or

(10) Any service prior to the effective date of the act by an employee of the transit operating division of the metropolitan transit commission or by an employee on an authorized leave of absence from the transit operating division of the metropolitan transit commission who is employed by the labor organization which is the exclusive bargaining agent representing employees of the transit operating division which was credited by the metropolitan transit commission-transit operating division employees retirement fund or any of its predecessor plans or funds as past, intermediate, future, continuous or allowable service as defined in the metropolitan transit commission-transit operating division employees retirement fund plan document in effect on December 31, 1977.

Sec. 3. Minnesota Statutes, 1977 Supplement, Section 352.03, Subdivision 1, is amended to read:

352.03 [BOARD OF DIRECTORS, COMPOSITION, EXECUTIVE DIRECTOR; DUTIES, POWERS.] Subdivision 1. [MEMBERSHIP OF BOARD; ELECTION; TERM.] The policy making function of the system is hereby vested in a board of eight ~~eight~~ nine members, who shall be known as the board of directors, hereinafter called the board. This board shall consist of three members appointed by the governor, one of whom shall be a constitutional officer or appointed state official and two public members knowledgeable in pension matters, four state employees who shall be elected by state employees covered by the system *excluding employees of the transit operating division of the metropolitan transit commission and employees on authorized leave of absence from the transit operating division who are employed by the labor organization which is the exclusive bargaining agent representing employees of the transit operating division, one employee of the transit operating division of the metropolitan transit commission who shall be designated by the executive committee of the labor organization which is the exclusive bargaining agent representing employees of the transit division, and one retired employee who shall be elected by retired employees at a time and in a manner to be fixed by the board. Two board members, whose terms of office shall begin on the first Monday in March next succeeding their election, shall be elected biennially. The term of the two board*

members whose terms expire in 1968 shall terminate on the first Monday in March, 1968, and the terms of the two board members whose terms expire in 1970 shall terminate on the first Monday in March, 1970. The elected retired board member shall serve a term commencing January 1, 1978 and terminating on the first Monday in March, 1980. *The transit operating division board member shall serve a term commencing January 1, 1979, and terminating on the first Monday in March, 1980.* Thereafter the members of the board so elected and the transit operating division member so appointed shall hold office for a term of four years, except the retired member whose term shall be two years, and until their successors are elected or appointed, and have qualified. A state employee on leave of absence shall not be eligible for election or re-election to membership on the board of directors; and the term of any board member who is on leave for more than six months shall automatically terminate upon the expiration of such period.

Sec. 4. Minnesota Statutes, 1977 Supplement, Section 352.03, Subdivision 2, is amended to read:

Subd. 2. [VACANCY.] Any vacancy of a state employee or retired employee in the board caused by death, resignation, or removal of any member so elected shall be filled by the board for the unexpired portion of the term in which the vacancy occurs. *Any vacancy of the employee of the transit operating division member of the board caused by death, resignation, or removal shall be filled by the governing board of the labor organization which is the exclusive bargaining agent representing employees of the transit operating division.*

Sec. 5. Minnesota Statutes 1976, Section 352.22, is amended by adding a subdivision to read:

Subd. 2a. [AMOUNT OF CERTAIN REFUNDMENTS.] *For any employee who is entitled to receive a refund pursuant to subdivision 1 and who, prior to the effective date of this act, was a member of the metropolitan transit commission — transit operating division employees retirement fund, the refund for contributions made prior to the effective date of this act shall be equal to the following amounts:*

(a) *for any employee contributions made prior to January 1, 1950, the amount equal to one half of the employee contributions without interest;*

(b) *for any employee contributions made subsequent to December 31, 1949, but prior to January 1, 1975, the amount of the employee contributions plus simple interest at the rate of two percent per annum; and*

(c) *for any employee contributions made subsequent to December 31, 1974, but prior to the effective date of this act, the amount of the employee contributions plus simple interest at the rate of three and one half percent per annum.*

The refund for contributions made on or after the effective date of this act shall be determined pursuant to subdivision 2. Interest

shall be computed to the first day of the month in which the refund is processed and shall be based on fiscal year balances.

Sec. 6. Minnesota Statutes 1976, Section 356.20, Subdivision 2, is amended to read:

Subd. 2. (1) State employees retirement fund.

(2) Public employees retirement fund.

(3) Teachers retirement fund.

(4) Highway Patrolmen's retirement fund.

~~(5) Twin City Lines employees retirement plan.~~

~~(6) (5) Minneapolis teachers retirement fund association.~~

~~(7) (6) St. Paul teachers retirement fund association.~~

~~(8) (7) Duluth teachers retirement fund association.~~

~~(9) (8) Municipal employees retirement board of Minneapolis.~~

~~(10) (9) University of Minnesota police retirement plan.~~

~~(11) (10) University of Minnesota faculty retirement plan.~~

Sec. 7. Minnesota Statutes, 1977 Supplement, Section 473.415, is amended to read:

473.415 [LABOR PROVISIONS.] *Subdivision 1.* If the commission acquires an existing transit system, the commission shall assume and observe all existing labor contracts and pension obligations. All employees of such system except executive and administrative officers who are necessary for the operation thereof by the commission shall be transferred to and appointed as employees of the commission for the purposes of the transit system, subject to all the rights and benefits of sections 473.401 to 473.451. Such employees shall be given seniority credit and sick leave, vacation, insurance, and pension credits in accordance with the records or labor agreements from the acquired transit system. The commission shall assume the obligations of any transit system acquired by it with regard to wages, salaries, hours, working conditions, sick leave, health and welfare and pension or retirement provisions for employees. The commission and the employees, through their representatives for collective bargaining purposes, shall take whatever action may be necessary to have pension trust funds presently under the joint control of the acquired system and the participating employees through their representatives transferred to the trust fund to be established, maintained and administered jointly by the commission and the participating employees through their representatives. No employee of any acquired system who is transferred to a position with the commission shall by reason of such transfer be placed in any worse position with respect to worker's compensation, pension, seniority, wages, sick leave, vacation, health and welfare insurance or any other benefits than he enjoyed as an employee of such acquired system.

Subd. 2. For any employees of the commission who were transferred to and appointed as employees of the commission upon

completion of acquisitions of transit systems which occurred prior to the effective date of this act, the provisions of this act shall replace the provisions of subdivision 1 relating to the pension obligations which the commission is required to assume, and the pension or retirement plan and pension trust funds which the commission is required to establish, maintain and administer. Upon compliance with the applicable provisions of this act, the commission shall not be deemed to have placed any employee of the commission who was transferred to and appointed as an employee of the commission upon completion of acquisitions of transit systems which occurred prior to the effective date of this act in any worse position with respect to pension and related benefits than the employee of the commission enjoyed as an employee of the acquired existing transit system.

Subd. 3. For any employees of the commission who are transferred to and appointed as employees of the commission upon completion of acquisitions of transit systems which occur subsequent to the effective date of this act, those employees shall be governed by the provisions of this act unless the acquisition of the transit system which employed them immediately preceding the acquisition included the acquisition of a pension trust fund under the joint control of the acquired system and the participating employees through their representatives.

Sec. 8. [TRANSFER OF PENSION COVERAGE.] Subdivision 1. [EXISTING EMPLOYEES.] Notwithstanding any provisions of law to the contrary, as of the effective date of this act, all active employees of the transit operating division of the metropolitan transit commission and all employees on authorized leaves of absence from the transit operating division who are employed on the effective date of this act by a labor organization which is the exclusive bargaining agent representing employees of the transit operating division shall cease to be members of the metropolitan transit commission — transit operating employees retirement fund and shall cease to have any accrual of service credit, rights or benefits under that retirement fund. From and after the effective date of this act, all active employees of the transit operating division of the metropolitan transit commission and all employees on authorized leaves of absence from the transit operating division who are employed on the effective date of this act by the labor organization which is the exclusive bargaining agent representing employees of the transit operating division shall be members of the Minnesota state retirement system, shall be considered state employees for purposes of chapter 352, unless specifically excluded pursuant to section 352.01, subdivision 2B, and shall have past service with the transit operating division of the metropolitan transit commission credited by the Minnesota state retirement system in accordance with section 2, clause (10), of this act. Any employees on authorized leaves of absence from the transit operating division of the metropolitan transit commission who become employed by the labor organization which is the exclusive bargaining agent representing employees of the transit operating division after the effective date of this act shall be entitled to be members of the Minnesota state retirement system pursuant to section 352.029.

Subd. 2. [NEW EMPLOYEES.] All persons first employed by the metropolitan transit commission as employees of the transit operating division on or after the effective date of this act shall be members of the Minnesota state retirement system and shall be considered state employees for purposes of chapter 352 unless specifically excluded pursuant to section 352.01, subdivision 2B.

Subd. 3. [EXISTING RETIRED MEMBERS AND BENEFIT RECIPIENTS.] As of the effective date of this act, the liability for all retirement annuities, disability benefits, survivorship annuities and survivor of deceased active employee benefits of annuitants and benefit recipients paid or payable by the metropolitan transit commission — transit operating division employees retirement fund shall be transferred to the Minnesota state retirement system, and shall no longer be the liability of the metropolitan transit commission — transit operating division employees retirement fund. The required reserves for retirement annuities, disability benefits and optional joint and survivor annuities in effect on the day prior to the effective date of this act and the required reserves for the increase in annuities and benefits provided pursuant to section 9 of this act shall be determined using a five percent interest assumption and the applicable Minnesota state retirement system mortality table and shall be transferred by the Minnesota state retirement system to the Minnesota adjustable fixed benefit fund on the effective date of this act but shall be considered appropriated as of June 30, 1978. The annuity or benefit amount in effect on the effective date of this act, including the increase granted pursuant to section 9 of this act, shall be considered the "originally determined benefit" for purposes of any adjustments made pursuant to section 11.25. If an adjustment from the Minnesota adjustable fixed benefit fund pursuant to section 11.25 is payable as of January 1, 1979, any annuitant or benefit recipient receiving an annuity or benefit from the Minnesota adjustable fixed benefit fund pursuant to this section shall be entitled to receive the adjustment if the annuitant or recipient began receiving the annuity or benefit from the metropolitan transit commission—transit operating division employees retirement fund on or before June 30, 1977, but that adjustment shall not include in the base for calculation the amount of any increase granted pursuant to section 9 of this act. If an adjustment from the Minnesota adjustable fixed benefit fund pursuant to section 11.25 is payable as of January 1, 1979, the required reserves for the increase determined using a five percent interest assumption and the applicable Minnesota state retirement system mortality table shall be transferred by the Minnesota state retirement system to the Minnesota adjustable fixed benefit fund on January 1, 1979. For persons receiving benefits as survivors of deceased former retirement annuitants, the benefits shall be considered as having commenced on the date on which the retirement annuitant began receiving the retirement annuity.

Subd. 4. [EXISTING DEFERRED RETIREES.] Any former member of the metropolitan transit commission — transit operating division employees retirement fund who is not an active employee of the transit operating division of the metropolitan

transit commission on the effective date of this act, who has at least ten years of active continuous service with the transit operating division of the metropolitan transit commission as defined by the metropolitan transit commission — transit operating division employees retirement plan document in effect on December 31, 1977, who has not received a refund of contributions and who has not retired or begun receiving an annuity or benefit from the metropolitan transit commission — transit operating division employees retirement fund shall be entitled to a retirement annuity from the Minnesota state retirement system upon attaining the age of at least 55 years and submitting a valid application for a retirement annuity to the executive director of the Minnesota state retirement system. The person shall be entitled to a retirement annuity in an amount equal to the normal old age retirement allowance calculated under the metropolitan transit commission — transit operating division employees retirement fund plan document in effect on December 31, 1977 subject to an early retirement reduction or adjustment in amount on account of retirement prior to the normal retirement age specified in that metropolitan transit commission — transit operating division employees retirement fund plan document. The deferred retirement annuity of any person to whom this subdivision applies shall be augmented. The required reserves applicable to the deferred retirement annuity, determined as of the date the allowance begins to accrue using an appropriate mortality table and an interest assumption of five percent, shall be augmented by interest at the rate of five percent per annum compounded annually from January 1, 1978 to the first day of the month in which the annuity begins to accrue. Upon the commencement of the retirement annuity, the required reserves for the annuity shall be transferred to the Minnesota adjustable fixed benefit fund in accordance with subdivision 2 and section 352.119. Upon application for a retirement annuity under this subdivision, the person shall be entitled to elect a joint and survivor optional annuity pursuant to section 352.116, subdivision 3.

Sec. 9. [SAVINGS CLAUSE FOR CERTAIN EXISTING EMPLOYEES.] *Any person who is a member of the metropolitan transit commission — transit operating division employees retirement fund on the effective date of this act shall be entitled to retain past and prospective rights under the retirement benefit formula, normal retirement age and early reduced retirement age provisions of the metropolitan transit commission — transit operating division employees retirement fund plan document in effect on the effective date of this act in lieu of the provisions contained in sections 352.115; 352.116; 352.22, subdivisions 3 to 11; and 356.30.*

Sec. 10. [INCREASE IN EXISTING ANNUITIES AND BENEFITS.] *All persons receiving retirement allowances or annuities, disability benefits, survivorship annuities and survivor of deceased active employee benefits from the metropolitan transit commission—transit operating division employees retirement fund on December 31, 1977 and on the effective date of the act, shall be entitled to have that retirement allowance or annuity, disability*

benefit, survivorship annuity or survivorship benefit increased by an amount equal to \$20 per month. Notwithstanding section 356.18, increases in payments pursuant to this section shall be made automatically unless the intended recipient files written notice with the executive director of the Minnesota state retirement system requesting that the increase shall not be made. If any actuarial reduction or adjustment was applied to the retirement allowance or annuity, disability benefit, survivorship annuity or survivor of deceased active employee benefit, the increase specified in this section shall be similarly reduced or adjusted. Upon the death of any person receiving an annuity or benefit where the person made a joint and survivor optional annuity election, the survivor shall be entitled to the continued receipt of the increase provided for under this section; provided, however, that the increase shall be reduced or adjusted in accordance with the optional annuity election.

Sec. 11. [TERMINATION OF FUND; TRANSFER OF ASSETS AND RECORDS OF FUND.] Subdivision 1. [TRANSFER OF ASSETS.] *On the effective date of this act, the retirement allowance committee of the metropolitan transit commission—transit operating division employees retirement fund shall transfer the entire assets of the fund to the Minnesota state retirement system. The assets shall include whatever interest the fund has in any debt or equity securities, any bank deposits, all accounts receivable, irrespective of source, any real or personal property holdings, any accrued interest or dividends on stock declared but not yet received, and any equipment. Any accounts payable on the effective date of this act shall also be transferred to the Minnesota state retirement system. The Minnesota state retirement system shall be the successor in interest to all claims for and against the metropolitan transit commission—transit operating division employees retirement fund or the metropolitan transit commission with respect to the fund, except any claim against the metropolitan transit commission—transit operating division employees retirement fund or any person connected with the fund in a fiduciary capacity, based on any act or acts by that person which were not done in good faith and which constituted a breach of his obligation as a fiduciary. As a successor in interest, the Minnesota state retirement system may assert any applicable defense in any judicial proceeding which the retirement allowance committee of the metropolitan transit commission—transit operating division employees retirement fund or the metropolitan transit commission would otherwise have been entitled to assert. If the assets transferred to the Minnesota state retirement system include securities which are not proper investments pursuant to section 11.16, those securities may be retained by the board of directors for a period of time not to exceed the maturity date of the security involved or twenty-four months after the date of the transfer of the assets, whichever is earlier. Notwithstanding any contrary provision of section 11.25, subdivision 10, the Minnesota state retirement system shall not be required to sell any of the transferred securities and transfer cash equal to the required reserves to be transferred to the Minnesota adjustable fixed benefit fund pursuant to section 8, subdivision 3, of this act. The*

transfer to the Minnesota adjustable fixed benefit fund shall be made from those transferred securities which are proper investments pursuant to section 11.16. If the transfer results in an adverse change in portfolio balance of the Minnesota adjustable fixed benefit fund, exceeding the limitations set forth in section 11.25, subdivision 2, the deviation may be permitted by the state board of investment for a period not to exceed three months from the date that the portfolio balance limitation was exceeded.

Subd. 2. [VALUATION OF ASSETS.] The assets of the metropolitan transit commission—transit operating division employees retirement fund shall be valued upon the date of transfer in a manner agreeable to the retirement allowance committee of the metropolitan transit commission—transit operating division employees retirement fund and the board of directors of the Minnesota state retirement system. In determining the value of the assets of the metropolitan transit commission—transit operating division employees retirement fund, the board of trustees of the Minnesota state retirement system shall utilize the state board of investment in an advisory capacity. If the two parties cannot agree on the value of the assets of the metropolitan transit commission—transit operating division employees retirement fund, then the board of trustees of the Minnesota state retirement system shall specify the value of the assets. If the retirement allowance committee contests the value of the assets as specified by the board of directors of the Minnesota state retirement system, then the dispute shall be submitted to the district court of the second judicial district.

Subd. 3. [TRANSFER OF RECORDS.] On the effective date of this act, the retirement allowance committee of the metropolitan transit commission—transit operating division employees retirement fund shall transfer to the Minnesota state retirement system all records and documents relating to the metropolitan transit commission—transit operating division employees retirement fund and any of its members, including certified copies of the most recent and all previous collective bargaining agreements relating to retirement and the retirement fund, which are in the possession of the retirement allowance committee, the actuary of the retirement fund, the metropolitan transit commission or labor organization which is the exclusive bargaining agent for employees of the transit operating division of the metropolitan transit commission. In addition, the retirement allowance committee shall certify the following to the board of directors of the Minnesota state retirement system:

(a) the date of retirement or commencement of retirement annuities or benefits of and the amounts entitled to be received by all persons receiving retirement allowances or annuities, disability benefits, survivorship annuities and survivor of deceased active employee benefits from the metropolitan transit commission—transit operating division employees retirement fund as of the effective date of this act; and

(b) the amount of member or employee contributions made by, the dates of service commencement and termination of, the length of service credited to, and the salaries of all active and inactive

members of the metropolitan transit commission—transit operating division employees retirement fund as of the effective date of this act.

Subd. 4. [TERMINATION OF THE FUND.] *Upon the transfer of the assets, liabilities and records of the metropolitan transit commission—transit operating division employees retirement fund to the Minnesota state retirement system, the metropolitan transit commission—transit operating division employees retirement fund shall cease to exist as a legal entity. As its final official act, the retirement allowance committee shall notify in writing the secretary of the federal department of labor of the termination of the fund and the transfer of pension coverage and obligations to the fund to the Minnesota state retirement system. A copy of this act shall also be included with the written notification.*

Sec. 12. [ADDITIONAL EMPLOYER OBLIGATION TO AMORTIZE UNFUNDED ACCRUED LIABILITIES.] *In order to amortize the additional unfunded accrued liability incurred by the Minnesota state retirement system as a result of the consolidation of the metropolitan transit commission—transit operating division employees retirement fund, and to place the metropolitan transit commission on an equivalent basis with the other employing units and agencies having employees covered by the Minnesota state retirement system, the metropolitan transit commission shall make an annual contribution to the Minnesota state retirement system in addition to the employer contribution specified in section 352.04, subdivision 3. The additional contribution shall be an amount equal to three and eight-tenths percent of the salaries of employees of the transit operating division on each payroll abstract, commencing July 1, 1978, and payable for a period of 20 years.*

Sec. 13. [DISABILITY AND SURVIVORSHIP COVERAGE.] *From and after the effective date of this act, the metropolitan transit commission shall provide for all active employees of the transit operating division of the metropolitan transit commission disability and survivorship coverage which, when added to the disability benefit or the survivorship benefit payable from the Minnesota state retirement system pursuant to sections 352.113 or 352.12, subdivision 2, will at least equal the disability benefit or the survivorship benefit which that employee at the time of disability or the employee's surviving spouse at the time of the death of the employee while on active duty would have been entitled to receive under the disability benefit or survivor of active employee deceased while on active duty benefit provisions of the metropolitan transit commission—transit operating division employees retirement fund plan documented in effect immediately prior to the effective date of this act. The metropolitan transit commission may elect to provide the additional disability and survivorship coverage either through contract with an insurance carrier or through self insurance. If the commission elects to provide the coverage through an insurance contract, the chairman of the metropolitan transit commission is authorized to request bids from, or to negotiate with, insurance carriers and to enter into contracts with carriers which in the judgment of the commission are best*

qualified to underwrite and service this insurance benefit coverage. The commission shall consider factors such as the cost of the contracts as well as the service capabilities, character, financial position and reputation with respect to carriers under consideration, as well as any other factors which the commission deems appropriate. The disability and survivorship insurance contract with the particular insurance carrier shall be for a uniform term of at least one year, but may be made automatically renewable from term to term in absence of notice of termination by either party. The disability and survivorship insurance contract shall contain a detailed statement of benefits offered, maximums, limitations and exclusions. A summary description of the essential terms of the contract shall be provided by the commission to the labor organization which is the exclusive bargaining agent representing employees of the transit operating division of the metropolitan transit commission and to each active employee of the transit operating division. The determination of whether the disability or survivorship insurance coverage meets the minimum requirements of this section shall be made by the commission upon consultation with the executive director of the Minnesota state retirement system. If the disability or survivorship coverage provided by the metropolitan transit commission fails at any time after the effective date of this act to meet the requirements of this section as to the level of disability or survivorship coverage to be provided, the deficiency in the actual benefits provided shall continue to be an obligation of the commission. Notwithstanding any provisions of chapter 179 to the contrary, the labor organization which is the exclusive bargaining agent representing employees of the transit operating division of the metropolitan transit commission may meet and bargain with the commission on an increase in the level of disability or survivor of active employee deceased while on active duty coverage to be provided by the commission at the same time that wages and other terms and conditions of employment are considered.

Sec. 14. [MANDATORY RETIREMENT AGE.] An employee of the transit operating division of the metropolitan transit commission and an employee on leave of absence from the transit operating division of the metropolitan transit commission who is employed by the labor organization which is the exclusive bargaining agent representing employees of the transit operating division shall terminate employment on the first day of the month next following the month in which the employee reaches the age of 65; provided, however, that an employee of the transit operating division may be employed beyond the age of 65 at the option of the metropolitan transit commission, but shall not be employed beyond the first day of the month next following the month in which the employee reaches the age of 70.

Sec. 15. [NONAPPLICABILITY OF CERTAIN PROVISIONS.] Nothing required by any provision of this act shall constitute abandonment of the plan within the meaning of that or a similar term contained in any collective bargaining agreement entered into between the metropolitan transit commission and the labor organization which is the exclusive bargaining agent repre-

senting employees of the transit operating division of the metropolitan transit commission.

Sec. 16. [EMPLOYER CONTRIBUTIONS FOR CERTAIN EMPLOYEES.] *Notwithstanding any contrary provisions of section 352.029, the metropolitan transit commission shall make the employer contributions required pursuant to section 352.04, subdivision 3, for any employee on authorized leave of absence from the transit operating division of the metropolitan transit commission who is employed by the labor organization which is the exclusive bargaining agent representing employees of the transit operating division and who is covered by the Minnesota state retirement system in addition to all other employer contributions the commission is required to make.*

Sec. 17. [GENERAL ADMINISTRATION.] *Any provisions of this act relating to the administration of provisions of the metropolitan transit commission—transit operating division employees retirement fund plan documents in force on or prior to the effective date of this act shall be governed by the provisions of Minnesota Statutes, Chapter 352, in all instances where not inconsistent with the explicit provisions of any plan document.*

Sec. 18. [REFUND OF CERTAIN EMPLOYEE CONTRIBUTIONS.] *All active employees of the transit operating division of the metropolitan transit commission who were members of the metropolitan transit commission transit operating division employees retirement fund on June 30, 1978, and who made employee contributions to that retirement fund shall be entitled to a refund of any employee contributions to that retirement fund in excess of four percent of covered salary made between January 1, 1978 and June 30, 1978. The refund shall be made on or after July 1, 1978 upon the employee filing a valid application with the executive director of the Minnesota state retirement system.*

Sec. 19. [FUTURE ACTUARIAL VALUATIONS.] *Notwithstanding section 356.215, the retirement allowance committee of the metropolitan transit commission—transit operating division employees retirement fund shall not be required to have an actuarial valuation made as of January 1, 1978. The executive director of the Minnesota state retirement system shall include the transferred membership, liabilities and assets of the metropolitan transit commission—transit operating division employees retirement fund in the valuation of the Minnesota state retirement system next following the effective date of this act.*

Sec. 20. [EFFECTIVE DATE.] *This act shall be effective July 1, 1978.*

Sec. 21. [RETROACTIVE EFFECT.] *This act shall have retroactive application for any person who, on or after January 1, 1978, but prior to July 1, 1978,*

(a) terminates active service from the transit operating division of the metropolitan transit commission with less than ten years of active service;

(b) terminates active service from the transit operating division

of the metropolitan transit commission with at least ten years of active service;

(c) becomes so disabled that the person is unable to continue to perform his duties as an active employee of the transit operating division of the metropolitan transit commission within the meaning of article ten of the most recent collective bargaining agreement in force between the metropolitan transit commission and the labor organization which is the exclusive bargaining agent representing employees of the transit operating division of the metropolitan transit commission and has at least five years of active service; or

(d) becomes the surviving spouse of a former active employee of the transit operating division of the metropolitan transit commission who dies as a result of an accident which occurs during his employment with the transit operating division.

Any person obtaining the status described in clause (a) shall be entitled to receive a refund of employee contributions under section 352.22, subdivision 2a. Any person obtaining the status described in clause (b) shall be entitled to receive an annuity under section 352.115, subdivisions 2 and 3, notwithstanding that the person had not attained the minimum age specified in section 352.115, subdivision 1, at the time of the commencement of the annuity; provided, however, that the early retirement reduction factor specified in section 352.116, subdivision 1, shall apply unless the age of the person at the commencement of the annuity was at least 65 if the person had credit for ten or more years of service, or was at least age 62 if the person had credit for 30 or more years of service. Any person obtaining the status described in clause (c) shall be entitled to receive a benefit in an amount equal to the accrued retirement annuity computed pursuant to section 352.115, subdivisions 2 and 3, without the reduction for early commencement of the benefit set forth in section 352.116, with a minimum disability benefit of \$130 per month and a maximum disability benefit of the amount of the disability benefit which, when added to any earnings from partial or total re-employment, shall not exceed 85 percent of the current top rate of salary paid to the employment position classification held by the person at the time of the occurrence of the disability. Upon the commencement of a disability under this section, section 352.113, subdivisions 1 through 11 shall not be considered applicable to that person. Any person obtaining the status described in clause (d) shall be entitled to receive a benefit in an amount equal to the benefit provided by section 352.12, subdivision 2, notwithstanding the fact that the former active employee may not have attained one of the ages or have been credited with one of the lengths of service specified in that subdivision.

Any person entitled to receive an increase pursuant to section 9 of this act shall be entitled to receive the increase retroactively to January 1, 1978. The first payment of retirement allowances or annuities, disability benefits, survivorship annuities and survivorship benefits shall include the retroactive amounts."

Further, amend the title as follows:

Page 1, line 8, strike "and"

Page 1, line 9, after "subdivision;" insert "356.20, Subdivision 2;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Tennessen from the Committee on Commerce, to which was referred

S. F. No. 814: A bill for an act relating to automobile insurance; prohibiting discrimination against the physically handicapped; amending Minnesota Statutes 1976, Section 65B.13.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 65B.131, is amended to read:

65B.131 [AUTOMOBILE INSURANCE, DISCRIMINATION IN AUTOMOBILE POLICIES FORBIDDEN.] No person, authorized under the laws of this state to sell and provide automobile insurance as defined by the commissioner, and providing such insurance under any policy covering all the members of any family who are of the age and licensed to drive those motor vehicles which are owned, leased or regularly operated by such family members shall require, demand or receive any increase in premium payment for such insurance coverage solely on the basis that a handicapped member of that family has attained the age for the lawful operation of a motor vehicle on the roadways of this state if such handicapped member of the family shall refuse to issue any standard policy of automobile liability insurance or make any discrimination in the acceptance of risks, in rates, premiums, dividends, or benefits of any kind, or by way of rebate solely on account of physical handicap if the handicap can be accommodated by special training, equipment, prosthetic device, corrective lenses, or medication and if the physically handicapped person

(a) has successfully completed any approved driver education course;

(b) shall operate only such vehicle or vehicles as are equipped with auxiliary devices and equipment necessary for and permitting the safe and effective operation of such vehicle or vehicles by the handicapped family member; and

(c) is licensed by the department of public safety to operate a motor vehicle in this state."

Amend the title as follows:

Page 1, line 4, strike "65B.13" and insert "65B.131"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred

S. F. No. 1738: A bill for an act relating to game and fish; increasing certain nonresident license fees; amending Minnesota Statutes 1976, Section 98.46, Subdivisions 14, as amended, and 15.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 8, strike "1976" and insert ", 1977 Supplement"

Page 1, line 9, strike "as amended by Laws 1977, Chapter 310,"

Page 1, line 10, strike "Section 4,"

Page 1, line 17, strike "\$120" and insert "\$75"

Page 1, line 22, reinstate the stricken language and strike "\$60"

Page 2, line 8, reinstate the stricken language and strike "\$10"

Page 2, after line 8, insert

"(3) An individual license to take fish by angling for 21 consecutive days, \$10;

(4) A combination husband and wife license to take fish by angling for 21 consecutive days, \$15;"

Page 2, line 9, strike "(3)" and insert "(5)"

Page 2, line 9, before "Combination" insert "A" and after "wife" insert "license"

Amend the title as follows:

Line 4, strike "1976" and insert ", 1977 Supplement"

Line 4, strike "Subdivisions" and insert "Subdivision" and strike ", as"

Line 5, strike "amended," and insert a semicolon and after "and" insert "Minnesota Statutes 1976, Section 98.46, Subdivision"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred

S. F. No. 1442: A bill for an act relating to education; teachers; transferring certain functions of teacher licensing from the state board of education and the commissioner of education to the state board of teaching; amending Minnesota Statutes 1976, Sections 125.05, Subdivision 1; 125.08; 125.182, Subdivision 2; 125.185, Subdivisions 4, 5 and 6; repealing Minnesota Statutes 1976, Section 125.182, Subdivision 4.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 6, strike "1976" and insert ", 1977 Supplement"

Page 2, line 11, delete ", which shall not be less than"

Page 2, line 12, delete "\$10"

Page 2, line 12, after the period insert "Each application for the issuance, renewal or extension of a superintendent's or principal's license shall be accompanied by a processing fee in an amount set by the state board of education by rule."

Page 2, line 12, delete "such fee" and insert "these fees"

Page 2, line 13, reinstate the stricken language

Page 2, line 13, before "executive" insert "or the"

Page 2, line 14, after the comma insert "as applicable,"

Page 2, line 17, delete "fee" and insert "fees"

Page 2, line 17, delete "board" and insert "boards"

Page 2, line 20, delete "those cases" and insert "any case"

Page 2, after line 27, insert:

"Sec. 4. Minnesota Statutes 1976, Section 125.183, Subdivision 1, is amended to read:

125.183 [MEMBERSHIP.] Subdivision 1. A board of teaching consisting of ~~17~~ 15 members appointed by the governor is hereby established. Membership terms, compensation of members, removal of members, the filling of membership vacancies, and fiscal year and reporting requirements shall be as provided in sections 214.07 to 214.09. No member shall be reappointed for more than one additional term.

Sec. 5. Minnesota Statutes 1976, Section 125.183, Subdivision 3, is amended to read:

Subd. 3. Except for the representatives of higher education and the public, to be eligible for appointment to the board of teaching a person must be fully licensed for the position he holds and have at least five years teaching experience in Minnesota, including the two years immediately preceding nomination and appointment. The board shall be composed of one teacher whose responsibilities are those either of a counselor, librarian, psychologist, remedial reading teacher, speech therapist, vocational teacher, or certified school nurse, ~~four~~ three elementary school classroom teachers, ~~four~~ three secondary classroom teachers, three higher education representatives, from higher education faculties preparing teachers, two of whom shall be representatives of state institutions and one of whom shall be a representative of private institutions; one school administrator and four members of the public. Each nominee other than a public nominee shall be selected on the basis of his professional experience, and knowledge of teacher education, accreditation and licensure."

Page 2, line 31, reinstate the stricken language

Page 2, line 32, reinstate the stricken language

Page 3, line 1, strike “, and” and insert “*review and comment within 60 days of receipt of the rule.*”

Page 3, line 3, strike “subject” and insert “*pursuant*”

Page 3, line 30, strike “under Laws 1973, Chapter” and insert “*pursuant to the provisions of Minnesota Statutes, Chapter 125*”

Page 3, line 31, strike “749”

Page 3, line 32, reinstate the stricken language

Page 4, line 1, after the stricken “1974” insert “*of each year*”

Page 4, line 1, reinstate “, or as soon thereafter as is practicable,”

Page 4, line 1, strike “each year”

Page 4, after line 15, insert:

“Sec. 9. Minnesota Statutes, 1977 Supplement, Section 125.185, Subdivision 9, is amended to read:

Subd. 9. The board of teaching may adopt rules to implement sections 125.04 to 125.09 and 125.181 to 125.187 ; after approval by the state board of education .

Sec. 10. [TRANSFER OF APPROPRIATED SUMS.] *Of the sum appropriated to the department of education in Laws 1977, Chapter 449, Section 2, Subdivision 6, for the year ending June 30, 1979, the sum of \$134,725 is transferred and reappropriated to the board of teaching for that year. Of the sum appropriated to the department of education in Laws 1977, Chapter 449, Section 2, Subdivision 8, for the year ending June 30, 1979, the sum of \$5,630 is transferred and reappropriated to the board of teaching for that year.*”

Page 4, line 18, strike “1977” and insert “1978”

Page 4, line 21, strike “1977” and insert “1978”

Renumber the sections accordingly

Amend the title as follows:

Page 1, line 7, strike “125.08;”

Page 1, line 7, after “2;” insert “125.183, Subdivisions 1 and 3;”

Page 1, line 8, after “6;” insert “Minnesota Statutes, 1977 Supplement, Sections 125.08; and 125.185, Subdivision 9;”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 1717: A bill for an act relating to nursing; providing for issuance of certain licenses without examination to persons receiving certain training or licensing outside this state; amending

Minnesota Statutes 1976, Section 148.211, Subdivision 2; and 148.291, Subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, strike all of section 1

Page 2, lines 3 to 13, strike the new language and reinstate the stricken language

Page 2, line 16, after the period insert "*A person who has been licensed as a licensed practical nurse in another state, who has passed a licensing examination acceptable to the board and who has had 24 months of experience as a licensed practical nurse in the five years prior to applying for a license shall not be required to meet any additional educational requirements.*"

Renumber the sections in sequence.

Amend the title as follows:

Page 1, line 6, strike "148.211, Subdivision 2; and"

And when so amended the bill do pass. Amendments adopted.
Report adopted.

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 1926: A bill for an act relating to corrections; providing for the licensing of correctional facilities; amending Minnesota Statutes 1976, Sections 241.021, Subdivision 1; 641.09; and 641.18.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 1, after the period, insert "*Commencing September 1, 1980, no individual, corporation, partnership, voluntary association or other private organization legally responsible for the operation of a correctional facility may operate the facility unless licensed by the commissioner of corrections. The commissioner may provide by rule for provisional licenses which authorize the operation of a correctional facility on a temporary basis where the operator is temporarily unable to comply with all of the requirements for a license.*"

Page 2, line 2, strike "these" and after "rules" insert "*setting standards for group homes established under the direction of the juvenile courts*"

Page 2, strike line 3 after "until" and insert "*September 1, 1979.*"

Page 2, strike lines 4 to 8

Page 2, strike line 9 before "The"

Page 3, line 23, strike "section" and insert "subdivision"

Page 3, line 24, after "facility" insert "*, including a group home.*"

Page 3, line 24, strike "*and in*" and insert "*, the primary purpose of which is to serve persons*"

Page 3, strike line 25

Page 3, line 26, strike "*any calendar year were*"

Page 3, after line 29, insert:

"Sec. 2. Minnesota Statutes 1976, Section 260.185, Subdivision 1, is amended to read:

260.185 [DISPOSITIONS; DELINQUENT CHILD.] Subdivision 1. If the court finds that the child is delinquent, it shall enter an order making any of the following dispositions of the case which are deemed necessary to the rehabilitation of the child:

(a) Counsel the child or his parents, guardian, or custodian;

(b) Place the child under the supervision of a probation officer or other suitable person in his own home under conditions prescribed by the court including reasonable rules for his conduct and the conduct of his parents, guardian, or custodian, designed for the physical, mental, and moral well-being and behavior of the child, or with the consent of the commissioner of corrections, in a group foster care facility which is under the management and supervision of said commissioner;

(c) Subject to the supervision of the court, transfer legal custody of the child to one of the following:

(1) A child placing agency; or

(2) The county welfare board; or

(3) A reputable individual of good moral character. *No person may receive custody of two or more unrelated children unless he is licensed as a residential facility pursuant to sections 245.781 to 245.813 ; or*

(4) Except for children found to be delinquent as defined in section 260.015, subdivision 5, clauses (c) and (d), unless the child has previously appeared before a juvenile court on the same charge, and in the judgment of the court, community resources have been exhausted, a county home school, if the county maintains a home school or enters into an agreement with a county home school; or

(5) A county probation officer for placement in a group foster home established under the direction of the juvenile court in accordance with standards established by the commissioner of corrections and licensed pursuant to section 241.021;

(d) Except for children found to be delinquent as defined in section 260.015, subdivision 5, clauses (c) and (d), unless the child has previously appeared before a juvenile court on the same charge, and in the judgment of the court, community resources have been exhausted, transfer legal custody by commitment to the commissioner of corrections;

(e) If the child is found to have violated a state or local law or ordinance which has resulted in damage to the property of another, the court may order the child to make reasonable restitution for such damage;

(f) If the child is in need of special treatment and care for his physical or mental health, the court may order the child's parent, guardian, or custodian to provide it. If the parent, guardian, or custodian fails to provide this treatment or care, the court may order it provided.

(g) If the court believes that it is in the best interests of the child and of public safety that the driver's license of the child be cancelled until his eighteenth birthday, the court may recommend to the commissioner of transportation the cancellation of the child's license for any period up to the child's eighteenth birthday, and the commissioner is hereby authorized to cancel such license without a hearing. At any time before the termination of the period of cancellation, the court may, for good cause, recommend to the commissioner of transportation that the child be authorized to apply for a new license, and the commissioner may so authorize.

Any order for a disposition authorized under this section shall contain written findings of fact to support the disposition ordered, and shall also set forth in writing the following information:

(a) Why the best interests of the child are served by the disposition ordered; and

(b) What alternative dispositions were considered by the court and why such dispositions were not appropriate in the instant case."

Page 4, after line 16, insert:

"Sec. 5. The commissioner shall appoint an advisory task force consisting of at least nine persons and including representation from the judiciary serving the juvenile court, county probation officers, and county board members to assist in the development of standards for the correctional facilities defined in section 241.021, subdivision 1 (5), including group foster homes established under the direction of the juvenile court. The provisions of section 15.059, subdivision 6, shall govern the terms, compensation and removal of the members of the advisory task force.

Sec. 6. Section 2 of this act is effective September 1, 1979."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after "Subdivision 1;" insert "260.185, Subdivision 1;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 1623: A bill for an act relating to health; ambulance licensing law; providing that certain licenses are valid.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, strike lines 6 to 12 and insert:

"Section 1. Notwithstanding any provision of sections 144.801 to 144.8091, any person operating an ambulance service on the effective date of this act who was issued a license by the Minnesota board of health between December 31, 1974 and January 1, 1976 may continue to operate the ambulance service without the issuance of an additional license or license renewal until January 1, 1980."

Amend the title as follows:

Page 1, strike line 3 after "providing" and insert "for the continuation of certain ambulance services."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 1976: A bill for an act relating to retirement; teachers retirement association; prospective discontinuation of the variable annuity program; amending Minnesota Statutes 1976, Sections 345.44, Subdivision 7; 354.62, Subdivisions 1 and 2; and Chapter 354, by adding a section.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was referred

S. F. No. 2117: A bill for an act relating to highways; county state-aid highway system; allocation of apportionments; authorizing money credited to the municipal account to be used on certain county state-aid highways; amending Minnesota Statutes 1976, Section 162.08, Subdivision 4.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 9, strike "LEGGISLATURE" and insert "LEGISLATURE"

Page 1, line 9, strike "STTE" and insert "STATE"

Page 2, line 2, strike the last "and"

Page 2, line 3, strike "regulations"

Page 2, line 6, strike "and regulations"

Page 2, line 24, strike "current and"

Page 3, line 13, after "standards" insert a comma

Page 3, line 16, after "budget" insert "*consistent with the county's transportation plan, or there are justifiable reasons, beyond the control of the county that prohibit the county from programming or constructing the requested improvement or improvements, which have been created by or within the city*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was referred

S. F. No. 2193: A bill for an act relating to town roads; providing that town roads are vacated after 25 years without maintenance; amending Minnesota Statutes 1976, Section 164.07, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 164.07, is amended by adding a subdivision to read:

Subd. 13. [EXCEPTION; ABANDONED ROADS.] Notwithstanding the provisions of subdivisions 1 to 12, a town may vacate a town road on which no maintenance or construction has been done for a period of 25 years by adopting a written resolution to that effect at an annual town meeting; provided that written notice of the intention to vacate the road is given in the official notice of the annual meeting. When a town road is vacated pursuant to this subdivision the public right of way is extinguished and reverts to the owner of the underlying fee. If any property is deprived of all existing reasonable access by extinguishment of a public right of way and any owner of that property has used that right of way for access during the seven years preceding that extinguishment, the owner of that property shall have an easement of access over the property to which the right of way has reverted."

Amend the title as follows:

Page 1, line 2, strike "providing that town roads"

Page 1, line 3, strike everything before the semicolon and insert "allowing vacation of certain town roads without regular vacation procedures; preserving easement of access to affected property owners"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred the following appointment as reported in the Journal for February 16, 1978:

**CRIME CONTROL PLANNING BOARD
CHAIRPERSON**

Jacqueline O'Donoghue Reiss

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which were referred the following appointments as reported in the Journal for February 9, 1978:

CRIME CONTROL PLANNING BOARD

Cheryl Morrison

Gerald Benjamin

Jimmy H. Evans

Frederick D. McDougall, Sr.

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Coleman from the Committee on Rules and Administration, to which were referred H. F. Nos. 2312 and 1936 for comparison with companion Senate Files, reports the following House Files were found identical and recommends the House Files be given their second reading and substituted for their companion Senate Files 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.
		2312	2157		
		1936	1775		

and that the above Senate Files be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Coleman from the Subcommittee on Bill Scheduling, to which were referred S. F. Nos. 1193, 2025, 2154, 2166, 1764, 1952, 2048, 1747, 1905, 1909, 2023, 1885, 1564, 2069, 2136, 622, 1862, 1901, 1641, 2155, 1130, 2308, 1973, 2192, 2006, 1581, 2123, 2150, 2239, 1721, 1759, 1916, 1468, 1660 and H. F. Nos. 1442, 338 makes the following report:

That S. F. Nos. 1193, 2025, 2154, 2166, 1764, 1952, 2048, 1747, 1905, 1909, 2023, 1885, 1564, 2069, 2136, 622, 1862, 1901,

1641, 2155, 1130, 2308, 2192, 2006, 1581, 2123, 2150, 2239, 1759, 1916, 1468, 1660 and H. F. Nos. 1442, 338 be placed on the General Orders Calendar in the order indicated.

That S. F. Nos. 1973 and 1721 are being retained in the Subcommittee.

That there were no other bills before the Subcommittee on which floor action was requested. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, pursuant to the second paragraph of Rule 40 and on request of Messrs. Olhoft and Perpich, first authors of S. F. Nos. 2236 and 2112 respectively, recommends that the Senate Files be withdrawn from the Committee on Health, Welfare and Corrections and referred to the Committee on Finance. Report adopted.

SECOND READING OF SENATE BILLS

S. F. No. 2045 was read the second time.

S. F. Nos. 2178, 2159, 1772, 1345, 2139, 1618, 1850, 2300, 2170, 2152, 2248, 2294, 2182, 1954, 1117, 1788, 740, 427, 1917, 2158, 1900, 2281, 2130, 2342, 1985, 814, 1738, 1442, 1717, 1926, 1623, 1976, 2117, 2193, 2370 and 2371 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. Nos. 2312 and 1936 were read the second time.

H. F. Nos. 2000, 1878 and 1908 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS

Mr. Vega moved that the name of Mr. Benedict be added as co-author to S. F. No. 2255. The motion prevailed.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 1191 a Special Order to be heard immediately.

H. F. No. 1191: A bill for an act relating to taxation; creating special districts to be called tax increment financing districts; providing for tax increment financing of renewal and development projects; amending Minnesota Statutes 1976, Chapter 273, by adding sections; Sections 458.192, Subdivision 11; 462.585, Subdivision 1; 472A.06; 473F.02, Subdivision 3; 474.10, Subdivision 2; and repealing Minnesota Statutes 1976, Sections 458.192, Subdivision 12; 462.545, Subdivision 5; 462.585, Subdivisions 2, 3 and 4; 472A.07; and 472A.08.

Mr. Hanson moved to amend H. F. No. 1191, the unofficial engrossment, as follows:

Page 9, line 17, strike "No tax"

Page 9, strike line 18 and insert "No bonds shall be issued to finance a tax increment project"

Page 9, line 19, strike "body" and "submitting the plan for approval"

Page 9, line 22, after "covering" insert ", in the case of a housing or economic development project,"

Page 9, line 22, after "percent" insert "or, in the case of a redevelopment project, 75 percent"

The motion prevailed. So the amendment was adopted.

Mr. Hanson then moved to amend H. F. No. 1191, the unofficial engrossment, as follows:

Page 3, line 12, after "11" insert ", which is"

Page 18, line 1, strike "authorized" and insert "permitted"

The motion prevailed. So the amendment was adopted.

Mr. Hanson then moved to amend H. F. No. 1191, the unofficial engrossment, as follows:

Page 4, line 32, after "or" insert "that" and strike "devoted to providing housing" and insert "intended for occupancy primarily by"

Page 5, line 1, strike "for"

Page 5, line 2, strike "and regulations promulgated"

Page 5, line 3, strike "thereunder"

Page 5, line 5, strike "or the Farmers Home Administration" and insert "Title V of the Housing Act of 1949, as amended, or the regulations promulgated under any of those acts."

Page 5, line 6, strike "Act."

Page 5, line 7, strike "for" and insert "intended for occupancy primarily by"

Page 25, line 31, after "for" insert "occupancy primarily by"

Page 25, line 32, after "462A" strike "and"

Page 26, line 1, strike "regulations promulgated thereunder"

Page 26, line 4, strike "Farmers Home Administration Act" and insert "Title V of the Housing Act of 1949, as amended, or the regulations promulgated under any of those acts"

The motion prevailed. So the amendment was adopted.

Mr. Hanson then moved to amend H. F. No. 1191, the unofficial engrossment, as follows:

Page 10, line 13, strike "*, whether adopted before or after the*"

Page 10, line 14, strike "*effective date of this act,*"

Page 24, strike lines 3 to 11 and insert:

"[273.86] [EXISTING PROJECTS.] *The provisions of sections 1 to 15 shall not affect any redevelopment project as defined in section 462.421, subdivision 13, industrial development district as defined in section 458.191, project as defined in section 474.02, subdivision 1 or section 362A.01, subdivision 2, or development district as defined in section 472A.02, subdivision 3 or any special law, for which certification was requested pursuant to those laws prior to the effective date of sections 1 to 15, or any project carried on by an authority pursuant to Minnesota Statutes, Section 462.545, Subdivision 5 with respect to which the governing body has by resolution designated properties for inclusion in the project prior to the effective date of sections 1 to 15, except:*

(a) *As otherwise provided in sections 1 to 15;*

(b) *As an authority may elect to proceed with an existing redevelopment project, industrial development district, project or development district under the provisions of sections 1 to 15; or*

(c) *That any geographic area added to an existing redevelopment project, industrial development district, project or development district as a result of boundary expansion subsequent to the effective date of sections 1 to 15 shall be added in accordance with and be subject to the terms and conditions of sections 1 to 15."*

Page 29, after line 11, insert:

"Sec. 19. Minnesota Statutes 1976, Section 462.545, Subdivision 5, is amended to read:

Subd. 5. [SPECIAL BENEFIT TAX FUND.] *In the event the authority shall issue bonds or other obligations to finance a redevelopment project, the authority may, in its discretion, with the consent of the governing body obtained at the time of the approval of the redevelopment plan as required in section 462.521, notify the county treasurer to set aside in a special fund, for the retirement of such bonds and interest thereon, all or part of the real estate tax revenues derived from the real property in the redevelopment area which is in excess of the tax revenue derived therefrom in the tax year immediately preceding the acquisition of such property by the authority, and it shall be the duty of the county treasurer so to do. Such setting aside of funds shall continue until the bonds or other obligations have been retired. *The provisions of this subdivision shall not apply with respect to any property which the governing body has not by resolution designated for inclusion in a project prior to the effective date of this act.**

Renumber the sections in sequence

Page 35, line 14, strike "*472A.07,*"

Page 35, line 15, strike "*Subdivision 4;*"

Further, amend the title as follows:

Line 11, after "11;" insert "462.545, Subdivision 5;"

Line 11, delete "462.545, Subdivision 5;"

Line 17, strike "472A.07, Subdivision 4;"

The motion prevailed. So the amendment was adopted.

Mr. Hanson then moved to amend H. F. No. 1191, the unofficial engrossment, as follows:

Page 15, line 8, after "*if*" insert "*the sum of (1)*"

Page 15, line 10, after "*municipality*" strike "*when added to*" and insert "*plus (2)*"

Page 15, line 11, strike "*its*" and insert "*completion of construction*"

Page 15, line 12, strike "*termination*"

Page 15, line 12, strike "*project*" and insert "*tax increment financing*"

Page 15, line 12, after "*plus*" insert "*(3)*"

Page 15, line 14, strike "*certified*" and insert "*approved*"

Page 15, line 15, strike "*their termination dates*" and insert "*completion of construction*"

Page 15, line 15, after "*according to*" strike "*their*" and insert "*the tax increment*"

Page 15, line 16, after "*plan,*" insert "*or in the case of projects or districts which were approved prior to the effective date of sections 1 to 15, pursuant to a law which did not at the time of approval require adoption of a tax increment financing plan, the unrealized estimated captured assessed valuation, upon completion of all improvements which have been approved by the authority within the project or district at the time when the new project is proposed,*"

The motion prevailed. So the amendment was adopted.

Mr. Sieloff moved to amend H. F. No. 1191, the unofficial engrossment, as follows:

Page 11, line 23, after "*within*" strike "*a*" and insert "*an economic development project or housing*"

Page 12, line 4, after "*district.*" insert "*No tax increments shall be paid to an authority for a redevelopment project after three years from the date of certification of the value of the tax increment district pursuant to section 7 unless within said three years (a) bonds have been issued pursuant to sections 11 through 13 in aid*"

of the redevelopment project, (b) the authority has acquired property within the redevelopment project, or (c) the authority has constructed public improvements within the redevelopment project."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 27 and nays 30, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Keefe, J.	Penny	Stokowski
Ashbach	Engler	Knaak	Pillsbury	Ueland, A.
Bang	Frederick	Knoll	Purfeerst	Ulland, J.
Bernhagen	Gearty	Laufenburger	Renneke	
Borden	Hughes	Lessard	Sieloff	
Chenoweth	Humphrey	Ogdahl	Staples	

Those who voted in the negative were:

Benedict	Hanson	McCutcheon	Peterson	Spear
Chmielewski	Jensen	Moe	Schaaf	Strand
Coleman	Johnson	Nelson	Schmitz	Stumpf
Davies	Keefe, S.	Nichols	Setzepfandt	Vega
Dieterich	Kleinbaum	Olhoft	Sillers	Wegener
Gunderson	Luther	Olson	Solon	Willet

The motion did not prevail. So the amendment was not adopted.

Mrs. Staples moved to amend H. F. No. 1191, the unofficial engrossment, as follows:

Page 1, lines 23 and 28, strike "16" and insert "15"

Page 5, line 23, strike "16" and insert "15"

Page 16, lines 25 and 28, strike "16" and insert "15"

Page 17, line 5, strike "16" and insert "15"

Page 19, line 17, strike "16" and insert "15"

Page 20, lines 5 and 31, strike "16" and insert "15"

Page 21, line 19, strike "16" and insert "15"

Page 22, line 5, strike "16" and insert "15"

Pages 22 to 23, strike section 14

Page 24, lines 4, 8, and 11, strike "16" and insert "15"

Page 27, line 32, strike "16" and insert "15"

Page 30, line 10, strike "16" and insert "15"

Renumber the sections in sequence

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 41 and nays 11, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knoll	Purfeerst	Strand
Ashbach	Gearty	Knutson	Renneke	Stampf
Bang	Hughes	Laufenburger	Schmitz	Ueland, A.
Benedict	Humphrey	Lessard	Setzepfandt	Ulland, J.
Bernhagen	Jensen	Moe	Sieloff	Wegener
Borden	Johnson	Nelson	Sikorski	
Chenoweth	Keefe, J.	Ogdahl	Sillers	
Dunn	Kleinbaum	Olhoff	Staples	
Engler	Knaak	Penny	Stokowski	

Those who voted in the negative were:

Chmielewski	Dieterich	McCutcheon	Schaaf	Vega
Coleman	Luther	Olson	Spear	Willet
Davies				

The motion prevailed. So the amendment was adopted.

Mr. Anderson moved to amend H. F. No. 1191, the unofficial engrossment, as follows:

Page 11, line 16, strike "three" and insert "five"

The motion prevailed. So the amendment was adopted.

Mr. Laufenburger moved to amend H. F. No. 1191, the unofficial engrossment, as follows:

Page 17, line 8, strike "20" and insert "25"

Page 17, line 13, strike "ten" and insert "15"

Mr. Anderson requested division of the amendment as follows:

First portion:

Page 17, line 8, strike "20" and insert "25"

Second portion:

Page 17, line 13, strike "ten" and insert "15"

The question was taken on the adoption of the first portion of the amendment. The motion prevailed. So the first portion of the amendment was adopted.

The question was taken on the adoption of the second portion of the amendment.

The roll was called, and there were yeas 21 and nays 33, as follows:

Those who voted in the affirmative were:

Bernhagen	Gunderson	Ogdahl	Schmitz	Ueland, A.
Borden	Jensen	Penny	Sieloff	
Engler	Keefe, J.	Pillsbury	Staples	
Frederick	Knaak	Purfeerst	Stokowski	
Gearty	Laufenburger	Renneke	Strand	

Those who voted in the negative were:

Anderson	Dunn	Lessard	Olson	Stumpf
Ashbach	Hanson	Luther	Perpich	Ulland, J.
Benedict	Hughes	McCutcheon	Schaaf	Vega
Chenoweth	Johnson	Moe	Setzepfandt	Wegener
Coleman	Keefe, S.	Nelson	Sillers	Willet
Davies	Kleinbaum	Nichols	Solon	
Dieterich	Knoll	Olhoft	Spear	

The motion did not prevail. So the second portion of amendment was not adopted.

CALL OF THE SENATE

Mr. Stokowski imposed a call of the Senate. The following Senators answered to their names:

Ashbach	Frederick	Knaak	Olhoft	Spear
Bang	Gearty	Knoll	Olson	Staples
Benedict	Gunderson	Laufenburger	Penny	Stokowski
Bernhagen	Hanson	Lessard	Perpich	Strand
Borden	Hughes	Luther	Pillsbury	Stumpf
Chmielewski	Humphrey	McCutcheon	Renneke	Ulland, A.
Coleman	Jensen	Menning	Schaaf	Ulland, J.
Davies	Johnson	Moe	Schmitz	Vega
Dieterich	Keefe, J.	Nelson	Sieloff	Wegener
Dunn	Keefe, S.	Nichols	Sillers	Willet
Engler	Kleinbaum	Ogdahl	Solon	

The Sergeant at Arms was instructed to bring in the absent members.

Mr. Stokowski moved to amend H. F. No. 1191, the unofficial engrossment, as follows:

Page 15, line 19, strike "six" and insert "nine"

Page 15, line 21, strike "eight" and insert "eleven"

Page 15, line 22, strike "twelve" and insert "thirteen"

Page 15, line 23, strike "fourteen" and insert "sixteen"

Mr. Hanson moved to amend the Stokowski amendment to H. F. No. 1191, the unofficial engrossment, as follows:

In the first line of the Stokowski amendment, strike "nine" and insert "eight"

In the second line of the Stokowski amendment, strike "eleven" and insert "ten"

The question was taken on the adoption of the Hanson amendment to the Stokowski amendment.

The roll was called, and there were yeas 32 and nays 21, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	McCutcheon	Schmitz	Ulland, J.
Ashbach	Gunderson	Moe	Setzepfandt	Stumpf
Benedict	Hanson	Nichols	Sillers	Wegener
Chmielewski	Hughes	Olhoft	Solon	Willet
Coleman	Humphrey	Olson	Spear	
Davies	Kleinbaum	Penny	Staples	
Dieterich	Luther	Schaaf	Strand	

Those who voted in the negative were:

Bang	Frederick	Knaak	Perpich	Ueland, A.
Bernhagen	Gearty	Knoll	Pillsbury	
Borden	Johnson	Menning	Renneke	
Chenoweth	Keefe, J.	Nelson	Sieloff	
Engler	Keefe, S.	Ogdahl	Stokowski	

The motion prevailed. So the Hanson amendment to the Stokowski amendment was adopted.

The question was taken on the adoption of the Stokowski amendment, as amended.

The motion prevailed. So the Stokowski amendment, as amended, was adopted.

Mr. McCutcheon moved to amend H. F. No. 1191, the unofficial engrossment, as follows:

Page 11, after line 13, insert:

“Subd. 8. When an authority proposes to make use of tax increment financing, the project shall be subject to the approval of the board of commissioners of the county and the school board of the school district in which the project is proposed to be located. The procedures provided in subdivision 5 shall apply to the submission of the proposal to the county board and the school board.”

Mr. Keefe, J. moved to amend the McCutcheon amendment to H. F. No. 1191, the unofficial engrossment, as follows:

Line 4 of the McCutcheon amendment, strike *“board of commissioners of the county and the”*

Line 7, strike *“the county board and”*

The motion did not prevail. So the amendment to the McCutcheon amendment was not adopted.

Mr. Dieterich moved to amend the McCutcheon amendment to H. F. No. 1191, the unofficial engrossment, as follows:

Line 3 of the McCutcheon amendment, after *“financing”* insert *“for an economic development project”*

Lines 4 and 5, strike *“and the school board of the school district”*

Line 7, strike *“and the school board”*

The motion did not prevail. So the amendment to the McCutcheon amendment was not adopted.

The question was taken on the adoption of the McCutcheon amendment.

The roll was called, and there were yeas 8 and nays 49, as follows:

Those who voted in the affirmative were:

Anderson	Dieterich	Perpich	Spear	Vega
Davies	McCutcheon	Schaaf		

Those who voted in the negative were:

Ashbach	Frederick	Knoll	Olhoff	Solon
Bang	Gearty	Knutson	Olson	Staples
Benedict	Gunderson	Laufenburger	Penny	Stokowski
Bernhagen	Hanson	Lessard	Pillsbury	Strand
Borden	Humphrey	Luther	Purfeerst	Stumpf
Chenoweth	Jensen	Menning	Renneke	Ueland, A.
Chmielewski	Johnson	Moe	Schmitz	Ulland, J.
Coleman	Keefe, J.	Nelson	Setzepfandt	Wegener
Dunn	Keefe, S.	Nichols	Sieloff	Willet
Engler	Knaak	Ogdahl	Sillers	

The motion did not prevail. So the amendment was not adopted.

Mr. Ogdahl moved to amend H. F. No. 1191, the unofficial engrossment, as follows:

Pages 34 and 35, strike section 26

Renumber the sections in sequence

Amend the title as follows:

Line 6, strike "to exercise right of eminent domain"

Line 7, strike "to acquire land for redevelopment and"

Line 9, strike "Chapters" and insert "Chapter"

Line 10, strike "and 465, by adding a section,"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 16 and nays 34, as follows:

Those who voted in the affirmative were:

Ashbach	Knaak	Ogdahl	Renneke	Strand
Dunn	Knutson	Perpich	Sieloff	Ueland, A.
Engler	Lessard	Pillsbury	Staples	Ulland, J.
Frederick				

Those who voted in the negative were:

Bang	Gearty	Knoll	Olson	Spear
Benedict	Gunderson	Laufenburger	Penny	Stokowski
Bernhagen	Hanson	Luther	Purfeerst	Stumpf
Chenoweth	Jensen	Moe	Schaaf	Vega
Chmielewski	Johnson	Nelson	Schmitz	Wegener
Davies	Keefe, J.	Nichols	Setzepfandt	Willet
Dieterich	Keefe, S.	Olhoff	Sillers	

The motion did not prevail. So the amendment was not adopted.

H. F. No. 1191 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 56 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Knutson	Penny	Staples
Ashbach	Gunderson	Laufenburger	Perpich	Stokowski
Bang	Hanson	Lessard	Purfeerst	Strand
Benedict	Hughes	Lewis	Renneke	Stumpf
Borden	Humphrey	Luther	Schaaf	Ulland, J.
Chenoweth	Jensen	Menning	Schmitz	Vega
Chmielewski	Johnson	Moe	Setzepfandt	Wegener
Davies	Keefe, J.	Nelson	Sieloff	Willet
Dieterich	Keefe, S.	Nichols	Sikorski	
Dunn	Kleinbaum	Ogdahl	Sillers	
Engler	Knaak	Olhoff	Solon	
Frederick	Knoll	Olson	Spear	

Messrs. Bernhagen, Pillsbury and Ueland, A. voted in the negative.

So the bill, as amended, passed and its title was agreed to.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman, for the Committee on Rules and Administration, offered the following resolution:

BE IT RESOLVED, by the Senate, that the following named persons be and are hereby appointed to the positions hereinafter stated and at the salaries heretofore fixed.

Paul Borden, Page classification, effective February 24, 1978

Dr. Joseph Simonson, Chaplain, effective March 6, 1978

Rev. Herb Hayek, Chaplain, effective March 9, 1978

Rev. Richard Nelson, Chaplain, effective March 13, 1978

Rev. Richard Bolling, Chaplain, effective March 16, 1978

Rev. Rod Slessor, Chaplain, effective March 4, 1978

Mr. Coleman moved that the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

Mr. Luther moved that S. F. No. 1 be taken from the table. The motion prevailed.

Mr. Luther moved that S. F. No. 1 be placed at the top of General Orders. The motion prevailed.

RECESS

Mr. Coleman moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate. The following Senators answered to their names:

Ashbach	Gearty	Lessard	Olhoff	Staples
Bernhagen	Hughes	McCutcheon	Penny	Stokowski
Borden	Humphrey	Menning	Perpich	Strand
Coleman	Jensen	Moe	Pillsbury	Stumpf
Dieterich	Keefe, S.	Nelson	Purfeerst	Ueland, A.
Dunn	Kleinbaum	Nichols	Schmitz	Ulland, J.
Engler	Laufenburger	Ogdahl	Spear	Willet

The Sergeant at Arms was instructed to bring in the absent members.

THIRD READING OF SENATE BILLS

S. F. No. 1754: A bill for an act relating to highway traffic regulations; authorized emergency vehicles; approval of specifications and equipment test fees for lighting and vehicle safety equipment; warning devices on certain vehicles; and vehicle modification standards; amending Minnesota Statutes 1976, Sections 169.01, Subdivision 5; 169.468, Subdivision 2; 169.65; and 169.75; Minnesota Statutes, 1977 Supplement, Section 169.305, Subdivision 1; repealing Minnesota Statutes 1976, Section 169.47, Subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 41 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Hanson	Lessard	Penny	Strand
Bernhagen	Hughes	McCutcheon	Perpich	Stumpf
Borden	Humphrey	Menning	Pillsbury	Ueland, A.
Chenoweth	Jensen	Moe	Purfeerst	Ulland, J.
Coleman	Johnson	Nelson	Schaaf	Willet
Dieterich	Keefe, S.	Nichols	Schmitz	
Dunn	Kleinbaum	Ogdahl	Spear	
Gearty	Knoll	Olhoff	Staples	
Gunderson	Laufenburger	Olson	Stokowski	

So the bill passed and its title was agreed to.

S. F. No. 1693: A bill for an act relating to the national guard; increasing the pay for enlisted persons on active duty; amending Minnesota Statutes 1976, Section 192.51.

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 0, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Kleinbaum	Nichols	Setzepfandt
Bang	Gearty	Knaak	Ogdahl	Sikorski
Bernhagen	Gunderson	Knoll	Olhoft	Spear
Borden	Hanson	Laufenburger	Olson	Staples
Chenoweth	Hughes	Lessard	Penny	Stokowski
Chmielewski	Humphrey	Luther	Perpich	Strand
Coleman	Jensen	McCutcheon	Pillsbury	Stumpf
Davies	Johnson	Menning	Purfeerst	Ueland, A.
Dieterich	Keefe, J.	Moe	Renneke	Ulland, J.
Dunn	Keefe, S.	Nelson	Schmitz	Willet

So the bill passed and its title was agreed to.

THIRD READING OF HOUSE BILLS

H. F. No. 1930: A resolution urging the President, Congress and Secretary of Transportation to provide necessary grants and loans to the Milwaukee Road.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 37 and nays 14, as follows:

Those who voted in the affirmative were:

Bang	Hanson	Laufenburger	Olson	Strand
Bernhagen	Hughes	Lessard	Penny	Ueland, A.
Borden	Humphrey	Lewis	Purfeerst	Ulland, J.
Chmielewski	Jensen	Menning	Schmitz	Wegener
Coleman	Johnson	Moe	Setzepfandt	Willet
Engler	Keefe, J.	Nelson	Sieloff	
Gearty	Kleinbaum	Nichols	Sikorski	
Gunderson	Knaak	Olhoft	Solon	

Those who voted in the negative were:

Benedict	Luther	Perpich	Spear	Stumpf
Chenoweth	McCutcheon	Pillsbury	Staples	Vega
Keefe, S.	Ogdahl	Sillers	Stokowski	

So the bill passed and its title was agreed to.

CONSENT CALENDAR

S. F. No. 2234: A bill for an act relating to Ramsey county; changing the day of county board meetings; amending Laws 1974, Chapter 435, Section 2.05, as amended.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Knaak	Ogdahl	Sillers
Bang	Gearty	Knoll	Olhoft	Spear
Benedict	Gunderson	Laufenburger	Olson	Staples
Bernhagen	Hanson	Lessard	Penny	Stokowski
Borden	Hughes	Lewis	Perpich	Strand
Chenoweth	Humphrey	Luther	Pillsbury	Stumpf
Chmielewski	Jensen	McCutcheon	Purfeerst	Ueland, A.
Coleman	Johnson	Menning	Schmitz	Ulland, J.
Davies	Keefe, J.	Moe	Setzepfandt	Vega
Dieterich	Keefe, S.	Nelson	Sieloff	Wegener
Dunn	Kleinbaum	Nichols	Sikorski	Willet

So the bill passed and its title was agreed to.

S. F. No. 2264: A bill for an act relating to statutory cities; providing for uniformity in bidding requirements for local government contracts; amending Minnesota Statutes 1976, Section 412.311.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Knoll	Olhoft	Spear
Bang	Gunderson	Laufenburger	Olson	Staples
Benedict	Hanson	Lessard	Penny	Stokowski
Bernhagen	Hughes	Lewis	Perpich	Strand
Borden	Humphrey	Luther	Pillsbury	Stumpf
Chenoweth	Jensen	McCutcheon	Purfeerst	Ueland, A.
Chmielewski	Johnson	Menning	Schmitz	Ulland, J.
Coleman	Keefe, J.	Moe	Setzepfandt	Vega
Davies	Keefe, S.	Nelson	Sieloff	Wegener
Dunn	Kleinbaum	Nichols	Sikorski	Willet
Engler	Knaak	Ogdahl	Sillers	

So the bill passed and its title was agreed to.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Gearty in the chair.

After some time spent therein, the committee arose, and Mr. Gearty reported that the committee had considered the following:

S. F. Nos. 318, 1752, 1891, 1704, 1495, 1830, 1690, and H. F. Nos. 1323, 1857, which the committee recommends to pass.

S. F. No. 1206, which the committee recommends to pass with the following amendment offered by Mr. Ashbach:

Page 2, line 9, after "insurance" insert "by the insurer,"

Page 2, line 12, reinstate the stricken language

Page 2, line 13, reinstate the stricken language and strike the new language

Page 2, strike lines 14 and 15

Page 2, line 16, strike "coverage" and "is in"

Page 2, line 17, strike "effect"

S. F. No. 1720, which the committee recommends to pass with the following amendments offered by Mr. Olson:

Mr. Olson moved to amend S. F. No. 1720 as follows:

Page 1, line 11, strike "more than" and insert "*between sunset and*"

Page 1, line 12, strike "the open season for waterfowl" and insert "*sunrise*"

Page 1, line 12, strike "Except as"

Page 1, line 13, strike "*otherwise provided in this subdivision,*"

Page 1, line 17, strike "decoys, or"

Page 1, line 17, after "boat" strike the comma

Mr. Olson then moved to amend S. F. No. 1720 as follows:

Page 1, line 20, strike "7" and insert "12"

S. F. No. 1630 which the committee recommends to pass, subject to the following motions:

Mr. Jensen moved to amend S. F. No. 1630 as follows:

Page 2, line 15, after the period insert "*Before any individual may prove his residence and register to vote pursuant to this clause, that individual shall either display his driver's license or Minnesota identification card to the judge in charge of registration or shall sign an oath that he is not licensed to drive and does not hold a Minnesota identification card. If the individual displays a driver's license or identification card with an address outside of the precinct, the judge shall record that address on a form prescribed by the secretary of state.*"

Page 2, line 16, strike "oath" and insert "oaths"

Page 2, line 21, after the period insert "*When an individual proves his residence under clause (3), his oath or the form on which a judge has recorded the address from his driver's license or identification card shall be attached to his registration card.*"

Page 3, line 1, after "Minnesota" insert "*or a form indicating that a voter displayed a driver's license or identification card with an address in a different county in Minnesota from that in which he registered to vote,*"

Page 3, line 7, before "or" insert "*a form indicating that a voter displayed a driver's license or identification card with an address in a different precinct in the same county in which he registered to vote*"

Page 3, line 7, strike *"that a voter has registered in"* and insert *"form from the auditor of"*

Page 3, line 8, after *"county"* insert *", as provided in this subdivision,*

Page 30, line 31, before the period, insert *"and of the address form, oath and notification form required under sections 1 and 2 of this act"*

The motion prevailed. So the amendment was adopted.

Mr. Ueland, A. moved to amend S. F. No. 1630 as follows:

Page 2, line 15, after the period, insert *"No individual shall sign oaths on behalf of more than ten persons applying to register on any one election day."*

Page 6, line 4, after *"cards,"* insert *"or who signs oaths on behalf of more than ten persons applying to register on any one election day,"*

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 15 and nays 26, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Knaak	Pillsbury	Sillers
Bernhagen	Jensen	Knoll	Renneke	Ueland, A.
Dunn	Keefe, J.	Menning	Sieloff	Ulland, J.

Those who voted in the negative were:

Anderson	Hanson	Laufenburger	Schaaf	Wegener
Chmielewski	Hughes	Luther	Setzepfandt	Willet
Davies	Humphrey	McCutcheon	Sikorski	
Dieterich	Johnson	Nelson	Stokowski	
Gearty	Keefe, S.	Penny	Strand	
Gunderson	Kleinbaum	Purfeerst	Stumpf	

The motion did not prevail. So the amendment was not adopted.

Mr. Jenson moved to amend S. F. No. 1630 as follows:

Page 10, line 10, strike *"Each"*

Page 10, strike lines 11 to 15

Page 10, line 16, strike *"not"* and insert *"At least two election judges in each precinct shall have"*

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 17 and nays 26, as follows:

Those who voted in the affirmative were:

Ashbach	Jensen	Menning	Setzepfandt	Ueland, A.
Bernhagen	Keefe, J.	Pillsbury	Sieloff	Ulland, J.
Dunn	Knaak	Renneke	Sillers	Willet
Engler	Knoll			

Those who voted in the negative were:

Benedict	Hanson	Laufenburger	Schaaf	Stumpf
Borden	Hughes	Lessard	Sikorski	Vega
Davies	Humphrey	Luther	Spear	
Dieterich	Johnson	McCutcheon	Staples	
Gearty	Keefe, S.	Nelson	Stokowski	
Gunderson	Kleinbaum	Penny	Strand	

The motion did not prevail. So the amendment was not adopted.

S. F. No. 1621 which the committee reports progress, subject to the following motion:

Mr. Anderson moved to amend S. F. No. 1621 as follows:

Page 1, after line 7, insert:

“Section 1. Minnesota Statutes 1976, Section 272.02, Subdivision 1, is amended to read:

272.02 [EXEMPT PROPERTY.] Subdivision 1. Except as provided in other subdivisions of this section or in section 272.025, all property described in this section to the extent herein limited shall be exempt from taxation:

- (1) All public burying grounds;
- (2) All public schoolhouses;
- (3) All public hospitals;
- (4) All academies, colleges, and universities, and all seminaries of learning;
- (5) All churches, church property, and houses of worship;
- (6) Institutions of purely public charity;
- (7) All public property exclusively used for any public purpose;
- (8) All natural cheese held in storage for aging by the original Minnesota manufacturer;
- (9) (a) Class 2 property of every household of the value of \$100, maintained in the principal place of residence of the owner thereof. The county auditor shall deduct such exemption from the total valuation of such property as equalized by the revenue commissioner assessed to such household, and extend the levy of taxes upon the remainder only. The term “household” as used in this section is defined to be a domestic establishment maintained either (1) by two or more persons living together within the same house or place of abode, subsisting in common and constituting a domestic or family relationship, or (2) by one person.

(b) During the period of his active service and for six months after his discharge therefrom, no member of the armed forces of the United States shall lose status of a householder under paragraph (a) which he had immediately prior to becoming a member of the armed forces.

In case there is an assessment against more than one member of a household the \$100 exemption shall be divided among the members assessed in the proportion that the assessed value of the Class 2 property of each bears to the total assessed value of the Class 2 property of all the members assessed. The Class 2 property of each household claimed to be exempt shall be limited to property in one taxing district, except in those cases where a single domestic establishment is maintained in two or more adjoining districts.

Bonds and certificates of indebtedness hereafter issued by the state of Minnesota, or by any county or city of the state, or any town, or any common or independent school district of the state, or any governmental board of the state, or any county or city thereof, shall hereafter be exempt from taxation; provided, that nothing herein contained shall be construed as exempting such bonds from the payment of a tax thereon, as provided for by section 291.01, when any of such bonds constitute, in whole or in part, any inheritance or bequest, taken or received by any person or corporation.

(10) Farm machinery manufactured prior to 1930, which is used only for display purposes as a collectors item;

(11) The taxpayer shall be exempted with respect to, all agricultural products, inventories, stocks of merchandise of all sorts, all materials, parts and supplies, furniture and equipment, manufacturers material, manufactured articles including the inventories of manufacturers, wholesalers, retailers and contractors; and the furnishings of a room or apartment in a hotel, rooming house, tourist court, motel or trailer camp, tools and machinery which by law are considered as personal property, and the property described in section 272.03, subdivision 1 (c), except personal property which is part of an electric generating, transmission, or distribution system or a pipeline system transporting or distributing water, gas, or petroleum products or mains and pipes used in the distribution of steam or hot or chilled water for heating or cooling buildings and structures.

(12) Containers of a kind customarily in the possession of the consumer during the consumption of commodities, the sale of which are subject to tax under the provisions of the excise tax imposed by Extra Session Laws 1967, Chapter 32;

(13) All livestock, poultry, all horses, mules and other animals used exclusively for agricultural purposes;

(14) All agricultural tools, implements and machinery used by the owners in any agricultural pursuit.

(15) Real and personal property used primarily for the abatement and control of air, water, or land pollution to the extent that it is so used.

Any taxpayer requesting exemption of all or a portion of any equipment or device, or part thereof, operated primarily for the control or abatement of air or water pollution shall file an appli-

cation with the commissioner of revenue. Any such equipment or device shall meet *the standards, regulations, rules or criteria* prescribed by the Minnesota Pollution Control Agency, and must be installed or operated in accordance with a permit or order issued by that agency. The Minnesota Pollution Control Agency shall upon request of the commissioner furnish information or advice to the commissioner. If the commissioner determines that property qualifies for exemption, he shall issue an order exempting such property from taxation. Any such equipment or device shall continue to be exempt from taxation as long as the permit issued by the Minnesota Pollution Control Agency remains in effect.

(16) The part of the value of real and personal property equipped with an energy supply or use system which includes a solar energy system as defined in section 116H.02, subdivision 11, that exceeds the value of the property if it were equipped with a conventional energy supply or use system, if the property is not used to provide energy for sale."

Renumber the sections accordingly

Page 2, after line 19, insert:

"Sec. 3. This act shall be effective for assessments made for taxes levied in 1978 and payable in 1979."

Further, amend the title as follows:

Page 1, line 2, after the semicolon insert "exempting certain solar energy systems from property taxation;"

Page 1, line 4, strike "Section" and insert "Sections 272.02. Subdivision 1; and"

The motion prevailed. So the amendment was adopted.

S. F. No. 1621 was then progressed.

S. F. No. 1137 which the committee recommends to pass, subject to the following motions:

Mr. Coleman moved to amend S. F. No. 1137 as follows:

Page 2, after line 5, insert:

"Sec. 2. Minnesota Statutes 1976, Section 148.01, is amended by adding a subdivision to read:

Subd. 4. A chiropractor shall in writing, before performing a diagnostic blood test, inform the patient that complete and current information on the results of the test will be given to the patient upon his request. The chiropractor shall also inform the patient in writing that if he so requests the results of the blood test will be forwarded to the medical doctor of the patient's choice. The total number of blood tests performed by a chiropractor in one year shall not exceed 20 percent of the total number of patient visits. Blood samples drawn by a chiropractor shall be tested by a laboratory certified for medicare or by the center for disease control."

Amend the title as follows:

Line 4, before the period, insert ", and by adding a subdivision"

The motion prevailed. So the amendment was adopted.

The question was taken on the recommendation to pass S. F. No. 1137.

The roll was called, and there were yeas 36 and nays 18, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Laufenburger	Purfeerst	Stumpf
Benedict	Gearty	Lessard	Renneke	Vega
Bernhagen	Gunderson	Luther	Schaaf	Wegener
Borden	Hanson	Moe	Sikoraki	Willet
Chenoweth	Humphrey	Nelson	Sillers	
Chmielewski	Johnson	Nichols	Solon	
Coleman	Keefe, S.	Olhoft	Stokowski	
Dierich	Kleinbaum	Pillsbury	Strand	

Those who voted in the negative were:

Ashbach	Hughes	Olson	Setzepfandt	Ueland, A.
Bang	Knaak	Penny	Sjeloff	Ulland, J.
Davies	Lewis	Perpich	Spear	
Dunn	Ogdahl	Schmitz	Staples	

The motion prevailed. So S. F. No. 1137 was recommended to pass.

S. F. No. 1664, which the committee recommends to pass with the following amendment offered by Mr. Olhoft:

Page 1, after line 8, insert:

"Section 1. Minnesota Statutes 1976, Section 105.391, Subdivision 1, is amended to read:

105.391 [PUBLIC WATERS INVENTORY AND CLASSIFICATION.] Subdivision 1. On the basis of all information available to him, the commissioner shall inventory the waterbasins of each county and make a preliminary designation as to which constitute public waters. The commissioner shall send his preliminary designation for each county to the county board of that county for its review and comment. *The designation of waters as "public waters" pursuant to this section shall not grant any additional or greater right of access to the public to those waters, nor is the commissioner required to acquire access to those waters under section 97.48, subdivision 15, nor is any right of ownership or usage of the beds underlying those waters diminished.*"

Renumber the sections in sequence

Amend the title as follows:

Line 2, strike "state" and insert "public"

Line 2, after the semicolon insert "clarifying certain provisions concerning public waters;"

Line 5, after "Statutes" strike the comma and insert "1976, Section 105.391, Subdivision 1; and Minnesota Statutes,"

H. F. No. 1103, which the committee recommends to pass with the following amendments offered by Messrs. Davies and Sikorski:

Mr. Davies moved to amend H. F. No. 1103, as amended pursuant to Rule 49, adopted by the Senate February 27, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 762.)

Page 3, after line 5, insert

"Subd. 3. [DUTIES OF CONTRACTING AGENCY.] Before an agency may seek approval of a consultant or professional and technical services contract valued in excess of \$2,000, it shall certify to the commissioner that:

(1) no state employee is competent to perform the services called for by the contract;

(2) the normal competitive bidding mechanisms will not provide for adequate performance of the services;

(3) the services are not available as a product of a prior consultant or professional and technical services contract, and the contractor has certified that the product of his services will be original in character;

(4) reasonable efforts were made to publicize the availability of the contract;

(5) the agency has received, reviewed and accepted a detailed work plan from the contractor for performance under the contract; and

(6) the agency has developed, and fully intends to implement, a written plan providing for (a) the assignment of specific agency personnel to a monitoring and liaison function, (b) the periodic review of interim reports or other indicia of part performance and (c) the ultimate utilization of the final product of the services."

Page 3, after line 10, insert

"(1) all provisions of subdivisions 2 and 3 have been verified or complied with;"

Page 3, strike lines 15, 16, 20, 21 and 27 to 29

Re-number the remaining clauses in sequence

Page 3, after line 32, insert:

"Subd. 5. [CONTRACT TERMS.] A consultant or technical and professional services contract shall by its terms permit the agency to unilaterally terminate the contract prior to completion, upon payment of just compensation, if the agency determines that further performance under the contract would not serve agency purposes. If the final product of the contract is to be a report, no more than three copies of the report, one in camera ready form, shall be submitted to the agency. One of the copies shall be filed

with the legislative reference library. The form of the report shall be as the commissioner may by rule or order provide."

Page 4, line 6, after the period insert "After completion of performance under a consultant or professional and technical services contract, the agency shall evaluate the performance under the contract and the utility of the final product. This evaluation shall be delivered to the commissioner who shall retain all such evaluations for future reference."

Page 4, after line 29, insert:

"Subd. 10. [AUTHORITY OF ATTORNEY GENERAL.] The attorney general may sue to avoid the obligation of an agency to pay under a contract or to recover payments made, if services performed under the contract are so unsatisfactory, or incomplete, or so inconsistent with the price that payment would involve unjust enrichment. The contrary opinion of the contracting agency does not affect the power of the attorney general under this section."

Renumber the subdivisions in sequence

The motion prevailed. So the amendment was adopted.

Mr. Sikorski moved to amend H. F. No. 1103, as amended pursuant to Rule 49, adopted by the Senate February 27, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 762.)

Page 2, line 14, after "character" insert a semicolon

Page 4, lines 24 to 25, strike "for encumbrance or recordation purposes" and insert "that the appropriation and allotment have been encumbered for the full amount of the contract liability"

The motion prevailed. So the amendment was adopted.

H. F. No. 1728, which the committee recommends to pass with the following amendment offered by Mr. Gunderson:

Page 1, line 11, after "architect," insert "civil structural"

S. F. No. 1943, which the committee recommends to pass with the following amendments offered by Mr. Luther:

Mr. Luther moved to amend S. F. No. 1943 as follows:

Page 1, line 16, strike "an adequate" and insert "a"

Mr. Luther then moved to amend S. F. No. 1943 as follows:

Page 3, line 25, strike "cooking or warming"

On motion of Mr. Coleman, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

Without objection, the Senate reverted to the Order of Business of Introduction and First Reading of Senate Bills.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Mr. Stumpf, Mrs. Staples, Messrs. Dieterich and Spear introduced—

S. F. No. 2386: A bill for an act relating to educational programs; athletics and other extracurricular activities; permitting limited separation on the basis of sex in athletic programs operated by educational institutions or public services; establishing a state board of high school interscholastic athletics and extracurricular activities; prescribing its powers and duties; appropriating money; amending Minnesota Statutes 1976, Chapters 121, by adding a section; 129, by adding sections; and 363, by adding sections; repealing Minnesota Statutes 1976, Sections 126.21 and 129.121.

Referred to the Committee on Education.

Messrs. Luther; Keefe, S.; Humphrey, Benedict and Mrs. Staples introduced—

S. F. No. 2387: A bill for an act relating to elections; providing for comprehensive reporting of campaign financing for election of county attorney for Hennepin county; amending Minnesota Statutes 1976, Sections 10A.01, Subdivision 5, as amended; 10A.09, Subdivision 1; 10A.14, Subdivision 1, as amended; and 10A.20, Subdivision 2, as amended.

Referred to the Committee on Elections.

Messrs. Johnson and McCutcheon introduced—

S. F. No. 2388: A bill for an act relating to retirement; service requirement for elected public officials in public employees retirement association; amending Minnesota Statutes 1976, Section 353.29, Subdivision 1.

Referred to the Committee on Governmental Operations.

Without objection, the Senate reverted to the Order of Business of Reports of Committees and Second Reading of Senate Bills.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Purfeerst from the Committee on Transportation, to which was referred

S. F. No. 2205: A bill for an act relating to highways; changing the procedure for designation of highways to carry 80,000 pounds gross weight; amending Minnesota Statutes, 1977 Supplement, Section 169.832, Subdivision 11; repealing Minnesota Statutes, 1977 Supplement, Section 169.832, Subdivision 12.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 12, after "commissioner" insert ", by order,"

Page 2, line 10, after "commissioner" insert ", by order,"

Page 2, line 14, strike "Any route"

Page 2, strike line 15

Page 2, line 16, strike "proposed"

Page 2, line 17, before the period insert "*Every order of the commissioner designating or undesignating a route shall be published in the state register as soon as practicable after it is issued*"

Page 2, line 17, restore the stricken words "The commissioner shall"

Page 2, line 18, after the stricken word "of" insert "*designate or undesignate*" and restore the stricken words "any route when requested by any local"

Page 2, line 19, restore the stricken words "authority having jurisdiction over the route."

Page 2, after line 22, insert: "*The commissioner shall adopt rules setting forth the policies, criteria and procedures for designating and undesignating routes pursuant to this section. The procedures shall include provisions for public notice and participation.*"

Sec. 2. [CONTINUATION OF EMERGENCY DESIGNATIONS.] *Notwithstanding the provisions of any other law, the routes designated by rules of the commissioner of transportation under temporary rulemaking authority granted by Laws 1977, Chapter 248, or Minnesota Statutes, 1977 Supplement, Section 169.832, Subdivision 12, shall remain designated until undesignated by the commissioner pursuant to this act.*"

Page 2, line 23, before "Minnesota" insert "*Effective upon the adoption of permanent rules pursuant to section 1 of this act,*"

Renumber the remaining sections

Amend the title as follows:

Page 1, line 4, after "weight;" insert "continuing all routes designated under former procedures;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was referred

S. F. No. 2216: A bill for an act relating to highway traffic regulations; permitting peace officers to make arrests upon probable cause in cases of drivers passing stopped school buses; providing criminal liability for an owner of a vehicle used to pass a stopped school bus although he was not the driver at the time of the viola-

tion; providing penalties; amending Minnesota Statutes 1976, Section 169.44, Subdivision 1, and by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, after line 17, strike the remainder of the bill and insert:

"Subd. 1a. [ISSUANCE OF SUMMONS TO DRIVER PASSING STOPPED SCHOOL BUS; LIABILITY OF VEHICLE OWNER.] *(a) A peace officer may issue a citation pursuant to Minnesota Statutes 169.99 to a driver of a vehicle if the peace officer has probable cause to believe that the driver has used the vehicle in violation of subdivision 1. Probable cause under this subdivision may be established by circumstantial considerations including physical evidence or a radio or other oral communication to the peace officer from the driver or other operator of a school bus or other peace officer.*

(b) When a vehicle is used in violation of subdivision 1, the registration plates and registration certificate of such vehicle shall be surrendered to the court by order of the court for not less than two nor more than 30 days which period of time may or may not be consecutive in the discretion of the court. The revocation shall be by order of the court following written notice to the owner and an opportunity for a hearing before a municipal or county court judge. The registration plates and certificates shall be revoked unless the owner of the motor vehicle demonstrates by a preponderance of the evidence that such vehicle was neither in his custody or control at the time of the violation nor in the custody or control of any person to whom the owner had delegated control and custody.

The provisions of this clause shall not be applicable when a person has admitted under oath or has given the name of the driver or has been convicted of committing the violation set forth in subdivision 1.

Sec. 3. Minnesota Statutes 1976, Section 169.09, Subdivision 1, is amended to read:

169.09 [ACCIDENTS.] Subdivision 1. [DRIVER TO STOP.] *The driver of any vehicle involved in an accident resulting in injury to or death of any person shall immediately stop the vehicle at the scene of the accident, or as close thereto as possible, but shall then return to and in every event, shall remain at, the scene of the accident until he has fulfilled the requirements of this chapter as to the giving of information. The stop shall be made without unnecessarily obstructing traffic. Any driver who violates the provision of this subdivision by failing to stop at the scene of the accident shall be sentenced in accordance with the provisions of section 4.*

Sec. 4. Minnesota Statutes 1976, Chapter 609, is amended by adding a section to read:

[609.211] [HIT AND RUN RESULTING IN INJURY OR DEATH.] *When the driver of any vehicle, as defined in section*

169.01, subdivision 2, fails to stop at the scene of an accident as required under section 169.09, subdivision 1, after he is involved in an accident and by operation of his vehicle causes injury to or death of any person not constituting murder, manslaughter or criminal negligence in the operation of a vehicle he is guilty of hit and run in the operation of a vehicle and may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$1,000 or both."

Strike the title in its entirety and insert:

"A bill for an act relating to highway traffic regulations and crimes; prohibiting passing a school bus when it is stopped and is displaying stop arm signals; providing civil remedies; specifying the acts constituting the offense of hit and run; prescribing penalties; amending Minnesota Statutes 1976, Sections 169.09, Subdivision 1; 169.44, Subdivision 1 and by adding a subdivision; and Chapter 609, by adding a section."

And when so amended the bill do pass and be re-referred to the Committee on Judiciary. Amendments adopted. Report adopted.

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 2186: A bill for an act relating to hospitals; providing for payment of election judges; providing hospital board members with travel and other expenses incurred in the performance of their duties; authorizing hospital boards to set compensation for board members; amending Minnesota Statutes 1976, Section 447.32, Subdivision 4, and by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 1, strike "*shall*" and insert "*may*"

Page 3, line 4, before the period, insert "*, except for mileage which shall be compensated as provided in section 43.328, subdivision 1*"

Page 3, after line 11, insert:

"Sec. 3. [EFFECTIVE DATE.] This act shall take effect the day following its final enactment."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 2256: A bill for an act relating to Dakota county; providing that the county commissioners may fix an amount for each commissioner's expenses; amending Laws 1961, Chapter 249, Section 2, as amended.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 9, strike "amended to" and insert "repealed."

Page 1, line 10, strike "read:"

Page 1, delete lines 11 to 15

Page 1, lines 16 to 18, delete the underscoring

Amend the title as follows:

Page 1, line 2, strike "providing that the" and insert "eliminating special provisions relating to"

Page 1, line 3, strike "commissioners may fix an amount for each"

Page 1, line 4, strike "amending" and insert "repealing"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred

S. F. No. 2179: A bill for an act relating to Independent School District No. 256 (Red Wing); appropriating money.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred

S. F. No. 1852: A bill for an act relating to appropriations; appropriating funds for the replacement of King's Mill Dam.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 2206: A bill for an act relating to community corrections; amending Minnesota Statutes, 1977 Supplement, Section 401.13.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 2189: A bill for an act relating to health and welfare; Title XX funds for social services; establishing a formula for allocating Title XX funds to counties.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, delete lines 17 to 22 and insert:

"(a) Fifty percent shall be allocated on the basis of the average number of persons in each county who are recipients of one of the following: aid to families with dependent children, medical assistance, supplementary security income or non-public assistance food stamps;

(b) Fifty percent shall be allocated on the basis of the number of persons residing in the county in calendar year 1975 as determined by the state demographer."

Page 2, delete lines 1 to 11

Page 2, line 12, delete "The Title XX funds allocated to the counties shall"

Page 2, line 13, delete "be multiplied by the ratio for each county."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 2007: A bill for an act relating to public health; establishing a preventive dental health program for certain children; appropriating money; amending Minnesota Statutes 1976, Chapter 144, by adding a section.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred under Rule 35, together with the Committee Report thereon,

S. F. No. 2079: A bill for an act relating to veterans; providing for appeals from removals and disciplinary actions; amending Minnesota Statutes 1976, Sections 43.24, Subdivision 1; and 197.481, Subdivision 1.

Reports the same back with the recommendation that the report from the Committee on General Legislation and Veterans Affairs shown in the Journal for February 23, 1978 that "the bill do pass" be adopted and the bill be re-referred to the Committee on Governmental Operations.

Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred for proper reference under Rule 35:

S. F. No. 2286 reports the same back with the recommendation that the bill be re-referred as follows:

S. F. No. 2286 to the Committee on Energy and Housing.

Report adopted.

Mr. Coleman from the Subcommittee on Bill Scheduling, to which were referred S. F. Nos. 1441, 2072, 2073, 2342, 1973, 1721 makes the following report:

That S. F. Nos. 1441, 2072, 2073, 2342, 1973 be placed on the General Orders Calendar in the order indicated.

That S. F. No. 1721 be referred to the Committee on Taxes and Tax Laws.

That there were no other bills before the Subcommittee on which floor action was requested. Report adopted.

SECOND READING OF SENATE BILLS

S. F. Nos. 2205, 2186 and 2256 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Chmielewski moved that the name of Mr. Lessard be added as co-author to S. F. No. 1623. The motion prevailed.

Mr. McCutcheon moved that H. F. No. 1918 be withdrawn from the Committee on Taxes and Tax Laws and re-referred to the Committee on Rules and Administration for comparison with S. F. No. 1581, now on General Orders. The motion prevailed.

Mr. Chmielewski moved that S. F. No. 1428, No. 42 on General Orders, be stricken and returned to author. The motion prevailed.

Mr. Vega moved that H. F. No. 2175 be withdrawn from the Committee on Commerce and re-referred to the Committee on Rules and Administration for comparison with S. F. No. 2041. The motion prevailed.

Mr. Peterson moved that H. F. No. 2023 be withdrawn from the Committee on Governmental Operations and re-referred to the Committee on Rules and Administration for comparison with S. F. No. 1947. The motion prevailed.

Mr. Anderson moved that S. F. No. 1996 be withdrawn from the Committee on Energy and Housing and re-referred to the Committee on Governmental Operations. The motion prevailed.

Without objection, the Senate reverted to the Order of Business of Reports of Committees and Second Reading of Senate Bills.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1697: A bill for an act relating to obscenity; prohibit-

ing the promotion and dissemination of obscene materials; providing penalties; amending Minnesota Statutes 1976, Sections 617.26; 617.27; Chapter 609, by adding sections; and Minnesota Statutes, 1977 Supplement, Section 609.11, Subdivision 1; repealing Minnesota Statutes 1976, Sections 617.241; 617.291; 617.292; 617.293; 617.294; 617.295; 617.296; and 617.297.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Chapter 609, is amended by adding a section to read:

[609.691] [DEFINITIONS.] *Subdivision 1. For the purposes of sections 1 to 4, the terms defined in this section shall have the meanings given them.*

Subd. 2. "Work" means any material or performance.

Subd. 3. "Material" means anything tangible which is capable of being used or adapted to arouse interest, whether through the medium of reading, observation, sound or in any other manner.

Subd. 4. "Performance" means any play, motion picture, dance or other exhibition performed before an audience.

Subd. 5. "An obscene work" is a work which taken as a whole appeals to the prurient interest in sex, which portrays sexual conduct in a patently offensive way, and which, taken as a whole, does not have serious literary, artistic, political or scientific value. In determining whether or not a work is an obscene work the trier of the fact must find (a) that the average person, applying contemporary community standards would find that the work, taken as a whole appeals to the prurient interest in sex and (b) that the work depicts or describes, in a patently offensive way, sexual conduct specifically defined by section 1, subdivision 9 or conduct authoritatively construed by the courts of this state as being a patently offensive portrayal of sexual conduct and (c) that the work, taken as a whole, lacks serious literary, artistic, political or scientific value.

Subd. 6. "Community standards" means the standards of the community from which the jury is drawn or would be drawn if it were the trier of the fact.

Subd. 7. "Patently offensive" means so offensive on its face as to affront current standards of decency.

Subd. 8. "Standards of decency" means community standards of decency.

Subd. 9. "Sexual conduct" includes any of the following described sexual or excretory conduct:

(a) An act of sexual intercourse, normal or perverted, actual or simulated, including genital-genital, anal-genital, or oral-genital intercourse, whether between human beings or between a human being and an animal.

(b) *Sado-masochistic abuse, meaning flagellation or torture by or upon a person who is nude or clad in under garments or in a revealing costume or the condition of being fettered, bound or otherwise physically restrained on the part of one who is so clothed as an act of sexual stimulation or gratification.*

(c) *Masturbation, excretory function and lewd exhibitions of the genitals including any explicit, close up representation of a human genital organ.*

(d) *Physical contact or simulated physical contact with the clothed or unclothed pubic areas or buttocks of a human male or female, or the breasts of the female, whether alone or between members of the same or opposite sex or between humans and animals in an act of apparent sexual stimulation or gratification.*

(e) *Use of a device designed and marketed as useful primarily for stimulation of the human genital organs.*

(f) *Male or female genitals in a state of sexual stimulation or arousal.*

(g) *Covered male genitals in a discernably turgid state.*

Subd. 10. "Promote" means to manufacture, issue, sell, give, provide, lend, mail, deliver, transfer, transmute, publish, distribute, circulate, disseminate, present, exhibit or advertise, or to offer or agree to do the same.

Subd. 11. "Wholesale promote" means to manufacture, issue, sell, provide, mail, deliver, transfer, transmute, publish, distribute, circulate, disseminate or to offer or agree to do the same for purposes of resale.

Sec. 2. Minnesota Statutes 1976, Chapter 609, is amended by adding a section to read:

[609.692] [OBSCENITY IN THE FIRST DEGREE.] *Subdivision 1. A person is guilty of obscenity in the first degree when, knowing its content and character, he wholesale promotes, or possesses with intent to wholesale promote any obscene material.*

Subd. 2. (a) *A person convicted of a violation of subdivision 1 is guilty of a gross misdemeanor, and shall be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$1,000 or both.*

(b) *Any person convicted of a second or subsequent violation of subdivision 1 within a period of three years is guilty of a felony, and shall be sentenced to imprisonment for not less than one year nor more than five years or to payment of a fine of not less than \$1,000 nor more than \$10,000, or both.*

Sec. 3. Minnesota Statutes 1976, Chapter 609, is amended by adding a section to read:

[609.693] [OBSCENITY IN THE SECOND DEGREE.] *Subdivision 1. A person is guilty of obscenity in the second degree when, knowing its content and character, he:*

(a) Promotes for profit, or possesses with intent to promote for profit, any obscene material; or

(b) For profit produces, presents or directs an obscene performance or participates in a portion thereof which is obscene or which contributes to its obscenity.

Subd. 2. (a) A person convicted of a violation of subdivision 1 is guilty of a misdemeanor, and may be sentenced to imprisonment for not more than 90 days, or to payment of a fine of not more than \$500, or both.

(b) Any person convicted of a second or subsequent violation of subdivision 1 within a three year period is guilty of a gross misdemeanor and may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$5,000, or both.

Sec. 4. Minnesota Statutes 1976, Chapter 609, is amended by adding a section to read:

[609.695] [SEVERABILITY PROVISION.] *If any depiction or description of sexual conduct described in section 1, subdivision 9 is declared by a court of competent jurisdiction to be unlawfully included therein because the depiction or description is constitutionally protected or for any other reason, the declaration shall not invalidate sections 2 to 4 as to patently offensive depictions or descriptions of other sexual conduct included in section 1, subdivision 9.*

Sec. 5. Minnesota Statutes 1976, Section 617.291, Subdivision 2, is amended to read:

Subd. 2. It is in the best interest of the health, welfare and safety of the citizens of this state, and especially of minors within the state, that commercial dissemination of such sexually provocative written, photographic, printed, sound or published materials deemed harmful to minors be restricted to persons over the age of 17 years ; or, if available to minors under the age of 18 years, that the availability of such materials be restricted to sources within established and recognized schools, churches, museums, medical clinics and physicians, hospitals, public libraries, or government sponsored organizations.

Sec. 6. Minnesota Statutes 1976, Section 617.292, Subdivision 4, is amended to read:

Subd. 4. "Sexual conduct" means acts of masturbation, homosexuality sodomy, sexual intercourse, or physical contact with a person's clothed or unclothed genitals, pubic area, buttocks or, if such a the person be a female, her breast.

Sec. 7. Minnesota Statutes 1976, Section 617.292, Subdivision 6, is amended to read:

Subd. 6. "Sodomasochistic abuse" means flagellation or torture by or upon a person *who is nude, or clad in undergarments, a mask or bizarre costume, or the condition of being fettered, bound or*

otherwise physically restrained on the part of one *who is so clothed as an act of sexual stimulation or gratification.*

Sec. 8. Minnesota Statutes 1976, Section 617.292, Subdivision 7, is amended to read:

Subd. 7. "Harmful to minors" means that quality of any description or representation, in whatever form, of nudity, sexual conduct, sexual excitement, or sadomasochistic abuse, when *taken as a whole* it:

(1) ~~predominantly~~ appeals to the prurient, ~~shameful or morbid~~ interest in sex of minors, and

(2) is patently offensive to prevailing standards in the adult community as a whole with respect to what is suitable material for minors, and

(3) ~~is utterly without redeeming social importance~~ lacks serious literary, artistic, political or scientific value for minors.

Sec. 9. Minnesota Statutes 1976, Section 617.292, Subdivision 8, is amended to read:

Subd. 8. "Knowingly" means having general knowledge of, or reason to know, or a belief or ground for belief which warrants further inspection or inquiry or both, of:

(1) the character and content of any material which is reasonably susceptible of examination by the defendant, and

(2) the age of the minor, provided ~~however~~ that an honest mistake shall constitute an excuse from liability ~~hereunder~~ under sections 617.291 to 617.297 if the defendant made a reasonable bona fide attempt to ascertain the true age of ~~such~~ the minor.

Sec. 10. Minnesota Statutes 1976, Section 617.26, is amended to read:

617.26 [MAILING AND CARRYING OBSCENE MATTER.] Every person who shall deposit or cause to be deposited in any post office in the state, or place in charge of any express company or other common carrier or person for transportation, any of the materials, articles or things specified in ~~section 617.241~~ section 1 or 617.25, or any circular, book, pamphlet, advertisement or notice relating thereto, with the intent of having the same conveyed by mail, express, or in any other manner; or who shall knowingly or wilfully receive the same with intent to carry or convey it, or shall knowingly carry or convey the same by express, or in any other manner except by United States mail, shall be guilty of a misdemeanor. The provisions of this section and section 617.25 shall not be construed to apply to an article or instrument used by physicians lawfully practicing, or by their direction or prescription, for the cure or prevention of disease.

Sec. 11. Minnesota Statutes 1976, Section 617.27, is amended to read:

617.27 [SEARCH WARRANT; DESTRUCTION OF PROPERTY.] ~~Every municipal~~ A county court and justice of the

peace judge, upon complaint under oath that any person has in his possession or under his control any of the obscene books, papers, or other matter specified in sections 617.241 to section 1 of this act, or sections 617.243, 617.25, 617.251, and 617.26, shall issue a warrant directed to the sheriff or any constable of the county, therein directing him to search for, seize, and take possession of such the obscene matter; and, upon conviction of the person in whose possession the same shall be found, shall cause such the matter to be destroyed, and the fact to be entered upon the records of the court.

Sec. 12. [REPEALER.] *Minnesota Statutes 1976, Section 617.241 is repealed.*"

Strike the title in its entirety and insert:

"A bill for an act relating to obscenity; prohibiting the promotion and dissemination of obscene materials; providing penalties; amending Minnesota Statutes 1976, Sections 617.26; 617.27; 617.291, Subdivision 2; 617.292, Subdivisions 4, 6, 7 and 8; and Chapter 609, by adding sections; repealing Minnesota Statutes 1976, Section 617.241."

And when so amended the bill do pass. Amendments adopted.
Report adopted.

SECOND READING OF SENATE BILLS

S. F. No. 1697 was read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MEMBERS EXCUSED

Messrs. Merriam and Tennessen were excused from the Session of today. Mr. Menning was excused from the Session of today at 2:15 o'clock p.m. Mr. Keefe, J. was excused from the Session of today at 2:45 o'clock p.m. Mr. Gunderson was excused from the Session of today at 4:00 o'clock p.m.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 10:00 o'clock a.m., Monday, March 6, 1978. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

EIGHTY-FOURTH DAY

St. Paul, Minnesota, Monday, March 6, 1978

The Senate met at 10:00 o'clock a.m. and was called to order by the President.

Prayer was offered by the Chaplain, Dr. Joseph Simonson.

CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate. The following Senators answered to their names:

Anderson	Engler	Knoll	Olson	Stokowski
Ashbach	Gerty	Laufenburger	Penny	Ueland, A.
Bang	Hughes	Lewis	Perpich	Ulland, J.
Benedict	Johnson	Luther	Peterson	Wegener
Borden	Keefe, S.	Menning	Purfeerst	Willet
Brataas	Kirchner	Nelson	Schmitz	
Chmielewski	Kleinbaum	Nichols	Setzepfandt	
Coleman	Knaak	Olhoff	Staples	

The Sergeant at Arms was instructed to bring in the absent members.

The roll was called, and the following Senators answered to their names:

Anderson	Frederick	Knutson	Penny	Staples
Ashbach	Gerty	Laufenburger	Perpich	Stokowski
Bang	Gunderson	Lessard	Peterson	Strand
Benedict	Hanson	Lewis	Purfeerst	Stumpf
Bernhagen	Hughes	Luther	Renneke	Tennessee
Borden	Humphrey	McCutcheon	Schaaf	Ueland, A.
Brataas	Jensen	Menning	Schmitz	Ulland, J.
Chenoweth	Johnson	Merriam	Schrom	Vega
Chmielewski	Keefe, J.	Moe	Setzepfandt	Wegener
Coleman	Keefe, S.	Nelson	Sieloff	Willet
Davies	Kirchner	Nichols	Sikorski	
Dieterich	Kleinbaum	Ogdahl	Sillers	
Dunn	Knaak	Olhoff	Solon	
Engler	Knoll	Olson	Spear	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

MEMBERS EXCUSED

Mr. Pillsbury was excused from the Session of today. Mr. Chenoweth was excused from the Session of today at 11:00 o'clock a.m.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 2265: A bill for an act relating to cities; establishing requirements for financial statements, reports and audits; providing a time limit for submissions of certain reports to the state auditor; providing for enforcement of reporting requirements; amending Minnesota Statutes 1976, Chapter 471, by adding sections; repealing Minnesota Statutes 1976, Sections 412.281 and 412.291.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 3, strike "2,000" and insert "2,500"

Page 2, line 3, before "In" insert "Subdivision 1."

Page 2, line 4, strike "2,000" and insert "2,500"

Page 2, line 5, after "clerk" insert "or chief financial officer"

Page 2, line 7, strike "within 90 days"

Page 2, line 15, strike "within 90 days"

Page 2, line 18, strike "within 90 days"

Page 2, line 22, before the period insert ", except that the state auditor may upon request of a city and a showing of inability to conform, extend the deadline"

Page 2, line 22, after the period insert "The state auditor may accept this report in lieu of the report required in clause (b) above."

Page 2, after line 22, insert:

"Subd. 2. The state auditor shall continue to audit cities of the first class pursuant to section 6.49."

Page 2, line 26, strike "2,000" and insert "2,500"

Page 2, line 27, strike "2,000" and insert "2,500"

Page 2, line 28, after "clerk" insert "or chief financial officer"

Page 3, line 2, after "whom" strike "and for what purposes"

Page 4, after line 17, insert:

"Sec. 6. [APPROPRIATION.] There is appropriated to the state planning agency the sum of \$50,000 from the general fund for the period ending June 30, 1979 for the purpose of making grants to cities for converting from a cash basis to a modified accrual basis of financial reporting and for training city clerks or chief financial officers in the methods of a modified accrual basis of financial reporting."

Page 4, line 20, strike "*the day*"

Page 4, line 21, strike "*following final enactment*" and insert "*January 1, 1979*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after the semicolon insert "*appropriating money;*"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred

S. F. No. 1702: A bill for an act relating to education; school district pairing; permitting experimental pairing for Independent School District No. 328 (Sioux Valley) and Independent School District No. 516 (Round Lake); amending Minnesota Statutes, 1977 Supplement, Section 122.85, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 18, after "12" insert "*or portions of those grades*"

Page 1, line 19, after "grades" insert "*or portions of grades*"

Page 1, line 23, after "650," insert "*No. 654 and No. 655,*"

Page 2, line 3, strike "*is*" and insert "*, insofar as it affects named pairs of independent school districts, shall be*"

Page 2, line 3, after "*effective*" insert "*as to each pair*"

Page 2, line 4, after the period insert "*Otherwise this act shall be effective the day following final enactment.*"

Amend the title as follows:

Page 1, line 3, after "for" insert "*certain*"

Page 1, line 4, strike "*District No. 328 (Sioux Valley) and*" and insert "*Districts;*"

Page 1, strike line 5

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred

S. F. No. 2134: A bill for an act relating to education; career education; establishing a planning and grant program for career education; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 19, strike "shall" and insert "may"

Page 1, line 20, strike "or" and insert "and"

Page 2, line 16, strike "shall" and insert "may"

Page 2, line 23, strike "The school staff member assigned to be"

Page 2, strike lines 24 to 27 and insert "The department may add additional personnel, above its existing complement, to implement this program in compliance with Public Law 95-207, the career education incentive act; provided, however, that the department shall not hire more than three professional employees and one clerical employee for this purpose."

Page 2, strike line 32

Page 3, strike lines 1 to 24

Amend the title as follows:

Page 1, line 4, strike "; appropriating money"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred

S. F. No. 1544: A bill for an act relating to education; requiring licensed chief school business officers in school districts of a certain size; appropriating money; amending Minnesota Statutes 1976, Section 121.11, Subdivision 13.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 11, strike "OFFICERS" and insert "OFFICIALS"

Page 2, line 5, after "FOR" insert "CHIEF SCHOOL"

Page 2, line 7, after "(1)" strike the comma and insert "and"

Page 2, line 7, strike "and (3)"

Page 2, line 8, strike "next" and insert "second"

Page 2, line 9, after "officer" insert a comma

Page 2, line 11, after "officer" insert a comma

Page 3, line 2, strike "act" and insert "section"

Page 3, after line 3, insert

"Sec. 3. [121.885] [LICENSURE FOR DISTRICT-WIDE COMMUNITY EDUCATION DIRECTORS.] *Subdivision 1. The state board of education shall have exclusive authority to establish standards for and issue licenses to district-wide community education directors, and to charge fees for the issuance and administration of the licenses.*

Subd. 2. A person who is employed as a district-wide community

education director in the 1977-78 school year shall have two years from the effective date of the licensure rules to meet the requirements of those rules. A person who is hired as a community education director for the 1978-1979 school year or thereafter shall have one year from the date of employment or one year from the effective date of the licensure rules, whichever is later, to meet the requirements of those rules.

Subd. 3. The state board shall promulgate licensure rules necessary for the implementation of this section."

Renumber the sections accordingly.

Further, amend the title as follows:

Page 1, line 2, after the semicolon insert "providing for licensure of school business officials, chief school business officers and district-wide community education directors;"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred

S. F. No. 1948: A bill for an act relating to agriculture; requiring the labeling of fryers as to state of origin; providing right for civil action for violations; amending Minnesota Statutes 1976, Chapter 29, by adding sections.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 11, strike "8" and insert "7"

Page 1, line 15, strike "as a fryer, broiler or fryer-roaster,"

Page 1, strike line 16 and insert "which is subject to be inspected by the United States department of agriculture."

Page 2, line 24, strike "or half"

Page 2, line 27, strike "smaller than"

Page 2, line 27; after "size" insert ", or smaller"

Page 2, line 28, after "labeled" insert "by bulk pack" and strike "on the"

Page 2, line 29, strike "outside of the pack"

Page 2, line 32, strike "In a meat display case where fryer parts are"

Page 3, strike lines 1 to 11 and insert "No person shall remove any label required by subdivisions 1 or 2 from any fryer or its parts prior to retail sale."

Page 3, line 17, after "consumption" insert "within the state"

Page 3, line 24, strike "or pretend"

Page 3, line 25, strike the colon

Page 3, line 26, strike "(a)" and strike "by any person, or" and after "in" insert "Minnesota if" and strike "any state, other"

Page 3, line 27, strike "than by the person and in the state where"

Page 3, line 28, after "fact" insert "not so" and after "raised" strike "; or" and insert a period

Page 3, strike lines 29 and 30

Page 4, line 2, strike "8" and insert "7"

Page 4, line 10, strike "8" and insert "7"

Page 4, line 12, strike "8" and insert "7"

Page 4, strike Section 7

Page 4, line 22, strike "8" and insert "7"

Page 4, line 25, strike "8" and insert "7"

Amend the title as follows:

Page 1, line 3, strike "providing right for"

Page 1, line 4, strike "civil action for violations;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred

S. F. No. 2156: A bill for an act relating to natural resources; concerning water resources; revising certain provisions concerning dams, reservoirs, control structures, and waterway obstructions; prescribing certain fees to finance safety examinations relating to such projects; appropriating money; amending Minnesota Statutes 1976, Sections 105.42, Subdivision 2; 105.482, Subdivision 2; 105.52; 105.53; and Minnesota Statutes, 1977 Supplement, Section 105.44, Subdivision 10.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 7, strike "(a)"

Page 2, line 28, strike "If a permit application is accompanied by a fee"

Page 2, strike lines 29 to 31

Page 3, strike lines 14 to 32

Page 4, strike lines 1 to 28

Page 4, line 29, strike "(d)" and "under"

Page 4, line 30, strike "clause (a) of" and insert "pursuant to" and strike "subdivision, all of the money paid under"

Page 4, line 31, strike "clauses (b) and (c) of this subdivision," and insert "section"

Page 5, line 7, insert a comma after "county"

Page 5, line 8, strike "or city, or other local government entity," and insert "municipality, watershed district, soil and water conservation district,"

Page 6, line 19, strike "\$150,000" and insert "\$200,000"

Page 6, line 20, strike ", reservoirs, control structures,"

Page 6, line 21, strike "and waterway obstructions"

Page 6, line 25, strike "July"

Page 6, line 26, strike "1, 1978" and insert "the day following final enactment"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 2184: A bill for an act relating to children; establishing grants-in-aid for the operation of outreach worker programs; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 7, strike "OUTREACH WORKER" and insert "YOUTH INTERVENTION"

Page 1, line 8, strike "Grants-in-aid may be made" and insert "The crime control planning board may make grants"

Page 1, line 8, after "to" insert "nonprofit"

Page 1, lines 9 and 22, strike "outreach worker" and insert "youth intervention"

Page 1, strike lines 11 to 17 and insert

" "Youth intervention program" means a nonresidential community based program providing advocacy, education, counseling, and referral services to youth and their families experiencing personal, familial, school, legal or chemical problems with the goal of resolving the present problems and preventing the occurrence of such problems in the future."

Page 1, line 19, strike "community" and insert "the crime control planning board"

Page 1, strike line 20 except the period

Page 2, line 1, strike "three" and insert "two"

Page 2, line 3, strike "commissioner of public welfare" and insert "crime control planning board"

Page 2, line 7, after the period insert "No grant to any agency shall exceed \$25,000."

Page 2, line 8, before "is" insert "250,000"

Page 2, lines 10 to 11, strike "grants-in-aid to outreach worker" and insert "grants to youth intervention"

Amend the title as follows:

Page 1, line 2, strike "children" and insert "youth"

Page 1, line 2, strike "grants-in-aid" and insert "grants"

Page 1, line 3, strike "outreach worker" and insert "youth intervention"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Employment, to which was referred

H. F. No. 1834: A bill for an act relating to labor; increasing fees for boiler inspection and engineers' licenses; amending Minnesota Statutes 1976, Sections 183.545, Subdivisions 1, 2, 3, and 4; and 183.57, Subdivision 2.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Laufenburger from the Committee on Employment, to which was referred

S. F. No. 2372: A bill for an act relating to labor and employment; employee wage deductions; amending Minnesota Statutes, 1977 Supplement, Section 181.79, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 15, after "(c)" strike the new language and insert "*in cases where an employee, prior to making a purchase from the employer, voluntarily authorizes in writing that the cost of the purchase shall be*"

Page 2, line 16, strike "costs of which are"

Page 2, line 17, after "termination" insert "of employment"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Employment, to which was referred

S. F. No. 2348: A bill for an act relating to the metropolitan transit area; providing for small business set-aside contracts; requiring reports; amending Minnesota Statutes 1976, Chapter 473, by adding sections.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 8, before "percent" insert "ten"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 2124: A bill for an act relating to public welfare; adjusting eligibility requirements for medical assistance benefits; authorizing the commissioner of public welfare to seek a waiver from federal regulations; amending Minnesota Statutes 1976, Sections 256.935, Subdivision 2; 256B.07; and Minnesota Statutes, 1977 Supplement, Section 256B.06, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 1, strike "*not used as a home*"

Page 3, strike line 2

Page 3, line 3, strike "*or*"

Page 3, line 3, after "*making*" insert "*a*"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Tennessen from the Committee on Commerce, to which was referred

S. F. No. 2041: A bill for an act relating to the city of South St. Paul; authorizing an on-sale liquor license for Wakota arena.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 12, strike "issue an "on-sale" liquor license for" and insert "authorize the dispensing, by sale or otherwise, of intoxicating liquor at"

Page 1, line 13, after the period insert "The ordinance may permit a person, firm or corporation permitted to use space on the premises for the purpose of conducting any convention, banquet, conference, meeting or social affair to engage any licensee having a regularly issued on-sale license for a location within the city to dispense intoxicating liquor to members or guests attending the convention, banquet, conference, meeting or social affair."

Page 1, line 13, strike "the" and insert "a"

Page 1, line 15, strike "Such" and insert "The"

Page 1, line 21, strike "or organization" and insert ", firm or corporation"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Tennessen from the Committee on Commerce, to which was referred

S. F. No. 2003: A bill for an act relating to unclaimed property; providing for reporting of certain unclaimed intangible prop-

erty; amending Minnesota Statutes 1976, Sections 345.38, by adding a subdivision; 345.54; and 345.55, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 17, strike "*therefore*" and insert "*therefor*"

Page 2, line 17, before the comma insert "*made after the effective date of this act*"

Page 2, line 20, strike "*such*" and insert "*the*"

Page 2, after line 20, insert:

"Sec. 4. Laws 1977, Chapter 137, Section 14, is amended to read:

Sec. 14. This act is effective on July 1, 1977, *such that reports due on or before November 1, or in the case of life insurance corporations, reports due on or before May 1, pursuant to section 345.41, shall reflect property presumed abandoned by reason of expiration of the time periods provided for the particular type of property as of the previous June 30, or in the case of life insurance corporations, as of the previous December 31, as those periods are amended by Laws 1977, Chapter 137, sections 3, 4, 5, and 6.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon insert "clarifying the reporting requirements;"

Page 1, line 6, strike "and" and before the period insert "; and Laws 1977, Chapter 137, Section 14"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Tennessen from the Committee on Commerce, to which was referred

S. F. No. 1529: A bill for an act relating to intoxicating liquors; removing prohibition against sale of liquor on election days; amending Minnesota Statutes 1976, Sections 340.034, Subdivision 1; and 340.14, Subdivision 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1427: A bill for an act relating to crimes; lowering the age for juvenile court jurisdiction; mandatory minimum terms for certain felonies; redefining certain felonies; changing the length of terms of imprisonment for certain felonies; amending the value involved in certain felony property offenses; authorization for arrest without warrant for gross misdemeanors although not committed in a peace officers' presence; prescribing penalties;

amending Minnesota Statutes 1976, Sections 260.015, Subdivision 2; 260.111, Subdivision 1; 260.193, Subdivision 5; 260.215, Subdivision 1; 609.11; 609.135, by adding a subdivision; 609.168; 609.185; 609.195; 609.225, by adding subdivisions; 609.25, Subdivision 2; 609.27, Subdivision 2; 609.275; 609.32, Subdivision 1; 609.343; 609.344; 609.345; 609.49; 609.52, Subdivision 3; 609.53; 609.551, Subdivision 1; 609.562; 609.563; 609.595, Subdivision 1; 609.625, Subdivision 1, and by adding subdivisions; 629.34; 629.35; and Chapter 609, by adding a section; repealing Minnesota Statutes 1976, Sections 609.15, Subdivision 2; and 609.63.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 609.135, is amended by adding a subdivision to read:

Subd. 4. Terms of probation as authorized by subdivision 1 may include the condition that the defendant serve a period of confinement in a county jail, county regional jail, county workfarm or county workhouse. The court may allow the defendant the work release privileges of section 631.425 during the period of confinement.

Sec. 2. Minnesota Statutes 1976, Section 609.25, Subdivision 2, is amended to read:

Subd. 2. [SENTENCE.] Whoever violates subdivision 1 may be sentenced as follows:

(1) If the victim is released in a safe place without great bodily harm, to imprisonment for not more than 20 12 years or to payment of a fine of not more than \$20,000 \$12,000 , or both; or

(2) *If the victim is released in a safe place but the victim suffers bodily harm during the course of the kidnapping, to imprisonment for not more than 20 years or to payment of a fine of not more than \$20,000, or both; or*

~~(2)~~ (3) *Otherwise If the victim is not released in a safe place or if the victim suffers great bodily harm during the course of the kidnapping, to imprisonment for not more than 40 years or to payment of a fine of not more than \$40,000, or both.*

Sec. 3. Minnesota Statutes 1976, Section 609.53, Subdivision 1, is amended to read:

609.53 [RECEIVING STOLEN GOODS.] Subdivision 1. Any person who receives, *possesses, transfers,* buys or conceals any stolen property or property obtained by robbery, knowing the same to be stolen or obtained by robbery ; may be sentenced as follows:

(1) ~~If the value of the property received, bought or concealed is \$100 or more, to imprisonment for not more than ten years or to payment of a fine of not more than \$10,000, or both;~~

(2) If the value of the property received, bought or concealed is less than \$100, the punishment as a misdemeanor shall be sentenced, upon conviction, in accordance with the provisions of section 609.52, subdivision 3, clauses (1), (2) and (5).

Sec. 4. Minnesota Statutes 1976, Section 609.53, Subdivision 3, is amended to read:

Subd. 3. Any person convicted of a second or subsequent violation under subdivision 2 within a period of one year may 1 shall be sentenced as provided in subdivision 1, clause (1) to imprisonment for not more than ten years or to payment of a fine of not more than \$10,000, or both.

Sec. 5. Minnesota Statutes 1976, Section 609.562, is amended to read:

609.562 [ARSON IN THE SECOND DEGREE.] Whoever unlawfully by means of fire or explosives, intentionally destroys or damages any building not covered by section 609.561, or any other real or personal property valued at more than \$2,500, whether the property of himself or another, may be sentenced to imprisonment for not more than ten years or to a fine of not more than \$10,000 or both.

Sec. 6. Minnesota Statutes, 1977 Supplement, Section 609.563, Subdivision 1, is amended to read:

609.563 [ARSON IN THE THIRD DEGREE.] Subdivision 1. Whoever unlawfully by means of fire or explosives, intentionally destroys or damages any real or personal property belonging to another may be sentenced to imprisonment for not more than five years or to a fine of \$5,000 or both, if:

(a) The property intended by the accused to be damaged or destroyed had a value of \$300 or more than \$300, but less than \$2,500; or

(b) Property of the value of \$300 or more was unintentionally damaged or destroyed but such damage or destruction could reasonably have been foreseen; or

(c) The property specified in clauses (a) and (b) in the aggregate had a value of \$300 or more.

Sec. 7. Minnesota Statutes 1976, Section 609.563, Subdivision 2, is amended to read:

Subd. 2. In all other cases whoever intentionally by means of fire or explosives sets fire to or burns or causes to be burned any real or personal property of value belonging to another may be sentenced to imprisonment for not more than 90 days or to payment of a fine of not more than \$300.

Sec. 8. Minnesota Statutes, 1977 Supplement, Section 609.595, Subdivision 1, is amended to read:

609.595 [DAMAGE TO PROPERTY.] Subdivision 1. [AGGRAVATED CRIMINAL DAMAGE TO PROPERTY.] Whoever intentionally causes damage to physical property of another without

the latter's consent may be sentenced to imprisonment for not more than five years or to payment of a fine of not more than \$5,000, or both, if:

(1) The damage to the property caused a reasonably foreseeable risk of bodily harm; or

(2) The property damaged belongs to a public utility or a common carrier and the damage impairs the service to the public rendered by them; or

(3) The damage reduces the value of the property by more than \$300 measured by the cost of repair or replacement, whichever is less.

In any prosecution under clause (3), the value of any property damaged by the defendant in violation of that clause 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. 9. [REPEALER.] *Minnesota Statutes 1976, Section 609.53, Subdivision 2, is repealed.*

Sec. 10. [EFFECTIVE DATE.] *Sections 1 to 8 apply to all persons convicted of any crime specified by those sections committed on or after August 1, 1978 and do not apply to persons convicted of any crime committed before August 1, 1978.*"

Amend the title as follows:

Line 2, strike everything after the semicolon, and strike lines 3 to 24 and insert "clarifying terms of probation; redefining kidnapping, receiving stolen goods, and arson; amending Minnesota Statutes 1976, Sections 609.135, by adding a subdivision; 609.25, Subdivision 2; 609.53, Subdivisions 1 and 3; 609.562; 609.563, Subdivision 2; and Minnesota Statutes, 1977 Supplement, Sections 609.563, Subdivision 1; and 609.595, Subdivision 1; repealing Minnesota Statutes 1976, Section 609.53, Subdivision 2."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Employment, to which was re-referred

S. F. No. 1450: A bill for an act relating to tourism; establishing a department of tourism; providing for its powers and duties; transferring certain functions from the department of economic development; appropriating money; amending Minnesota Statutes 1976, Sections 301A.01, Subdivision 1; 301A.05; 301A.07, Subdivision 1; 362.09, Subdivision 2; 362.10; 362.12, Subdivision 1a; 362.125; 362.13; and 362.23.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. [POLICY.] The purpose of this act is to create a highly visible structure within the department of economic development having as its sole function the servicing of small businesses. The legislature intends by this act to begin a comprehensive analysis of methods to coordinate and expand activities of state agencies relating to the promotion and development of commercial and industrial activities in the state.

Sec. 2. Minnesota Statutes 1976, Chapter 362, is amended by adding a section to read:

[362.421] [SMALL BUSINESS ASSISTANCE.] The commissioner of economic development shall establish within the department an operating unit having as its sole function the provision of assistance to small businesses in the state. This unit shall be accorded equal status with the other major operating units within the department.

Sec. 3. [ADVISORY TASK FORCE.] *There is created a small business advisory task force to advise the commissioner on the implementation of section 2. The task force shall consist of three members of the senate appointed by the subcommittee on committees, three members of the house appointed by the speaker, and five members appointed by the governor. The gubernatorial appointees shall be governed by section 15.059 and shall be representative of geographical regions and types of small businesses located in the state. The primary duty of the task force shall be to advise the commissioner and the legislature on structuring and allocating resources to the operating unit established in section 2. In addition, the task force shall recommend to the commissioner an appropriate definition of "small business" to be used by the department. The task force shall submit its final report to the legislature and the commissioner no later than December 1, 1978, and the commissioner shall establish the operating unit no later than July 1, 1979. Notwithstanding the foregoing, the commissioner is encouraged to establish the unit as soon as possible after the effective date of this act on a temporary basis pending receipt of the final task force report. The legislative coordinating commission shall provide the task force with necessary staff and administrative support services.*

Sec. 4. Minnesota Statutes, 1977 Supplement, Section 362.41, Subdivision 5, is amended to read:

Subd. 5. *The director of the state planning agency commissioner of economic development shall administer this section and shall enforce the rules related to the community development corporations promulgated by the department of economic development commissioner. The director commissioner may amend, suspend, repeal or otherwise modify these rules as provided for in chapter 15.*

Sec. 5. [TRANSFERS; REVISOR'S INSTRUCTIONS.] *The commissioner of administration shall transfer by reorganization order personnel, funds, and materials necessary to implement section 4. The revisor of statutes shall in the next and subsequent*

editions of Minnesota Statutes change the references to "director" in section 362.41 to read "commissioner".

Sec. 6. [RECOMMENDED STATUTORY CHANGES.] *No later than February 1, 1979, the commissioner of economic development shall recommend to the governor and the legislature statutory changes designed to provide for a coordinated and comprehensive delivery of assistance to commercial and industrial enterprises in the state. The commissioner shall examine and catalogue those existing services provided by state agencies, and shall recommend a delivery structure. The heads of affected agencies shall assist the commissioner in the preparation of these recommendations.*

Sec. 7. Minnesota Statutes, 1977 Supplement, Section 15A.081, Subdivision 1, is amended to read:

15A.081 [SALARIES AND SALARY RANGES FOR CERTAIN EMPLOYEES.] Subdivision 1. The following salaries or salary ranges are provided for the below listed employees in the executive branch of government:

	Base Salary or Range	
Administration, department of commissioner	\$41,000	
Agriculture, department of commissioner	36,000	
Attorney general, office of deputy attorney general	23,000 — 42,000	
Commerce, department of commissioner of banks	32,000	
commissioner of insurance	32,000	
commissioner of securities	32,000	
executive secretary, commerce commission	27,000	
Community college system chancellor	41,000	
Corrections, department of commissioner	36,000	
ombudsman	32,000	
Crime prevention and control, governor's commission on executive director	32,000	
Economic development, department of commissioner	32,000	36,000
Economic security, department of commissioner	41,000	
Education, department of commissioner	41,000	
Energy agency director	36,000	

	Base Salary or Range
Finance, department of commissioner	45,000
Health, department of commissioner	41,000
Hearing examiners office chief hearing examiner	36,000
Higher education coordinating board executive director	36,000
Housing finance agency executive director	36,000
Human rights, department of commissioner	29,000
Indian affairs board executive director	25,000
Investment, board of executive secretary	41,000
Iron range resources and rehabilitation board commissioner	29,000
Labor and industry, department of commissioner	36,000
judge of the workers compensation court of appeals	36,000
director, mediation services	29,000
Natural resources, department of commissioner	41,000
Personnel, department of commissioner	41,000
Planning agency director	41,000
Pollution control agency director	36,000
Public safety, department of commissioner	36,000
Public service, department of commissioner, public service commission director	32,000 32,000
Public welfare, department of commissioner	41,000
Revenue, department of commissioner	41,000
State university system chancellor	41,000

	Base Salary or Range
Transportation, department of commissioner	41,000
Veterans affairs, department of commissioner	29,000

Sec. 8. [EFFECTIVE DATE.] *Sections 1 to 6 are effective the day after final enactment. Section 7 is effective July 1, 1979. Sections 3 and 6 shall expire July 1, 1979.*

Amend the title by striking it in its entirety and inserting:

"A bill for an act relating to economic development; creating an operating unit within the department of economic development relating to small businesses; creating an advisory task force; requiring reports and recommendations; transferring the administration of laws relating to community development corporations; increasing the salary of the commissioner; amending Minnesota Statutes, 1977 Supplement, Sections 15A.081, Subdivision 1; 362.41, Subdivision 5; and Minnesota Statutes 1976, Chapter 362, by adding a section."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred

S. F. No. 1273: A bill for an act relating to environmental conservation; directing the commissioner of administration to study and implement certain practices; promoting use of recycled and recyclable materials and supplies by state government; amending Minnesota Statutes 1976, Section 16.28.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 16.28, is amended to read:

16.28 [PURCHASES.] *Subdivision 1.* The commissioner of administration, subject to the approval of the governor, may make rules, regulations, and orders regulating and governing the manner and method of purchasing, delivering, and handling of, and the contracting for supplies, equipment, and other property for the various officials, departments, and agencies of the any state government and institutions under their control agency as defined in section 16.011. Such The rules, regulations, and orders shall be uniform, so far as practicable, shall be of general or limited application, and shall include provisions for the following:

(1) The advertisement for and the receipt of bids for supplies and other property and the stimulation of competition with regard thereto;

(2) The purchase of supplies and other property without adver-

tisement or the receipt of bids, where the amount involved will not exceed \$500, when in the judgment of the commissioner it is expedient;

(3) The purchase of supplies and other property without competition in cases of emergency requiring immediate action;

(4) The purchase of certain supplies, equipment, and other property by long or short term contracts, or by purchases of contracts made at certain seasons of the year, or by blanket contracts or orders covering the requirements of one or more departments, offices, and commissions;

(5) The time for submitting estimates for various supplies, equipment, and other property;

(6) Regulation to secure the prompt delivery of commissary or other necessary supplies;

(7) Standardization of forms for estimates, orders, and contracts;

(8) Standardization of specifications for purchasing supplies, equipment, and other property;

(9) Standardization of quality, grades, and brands to eliminate unnecessary number of commodities or of grades or brands of the same commodity;

(10) The purchase of supplies and other property locally upon permission, specific or otherwise, of the commissioner;

(11) The use and disposal of the products of state institutions;

(12) The disposal of obsolete, excess, and unsuitable supplies, salvage, waste materials, and other property, and ~~the~~ by transfer of same to other departments, offices, and commissions *state agencies, by recycling or by any other method consistent with standards adopted by the pollution control agency pursuant to section 116.07, subdivision 2, if recycling or transfer are not practicable;*

(13) The storage of surplus supplies, equipment, and other property not needed for immediate use;

(14) The testing of commodities or supplies or samples thereof;

(15) Hearings on complaints in respect to the quality, grade, or brand of commodities or supplies;

(16) The waiver of rules in special cases.

The commissioner shall have immediate supervision of all purchases and contracts made, and shall carry out and enforce such rules, regulations, and orders relative thereto as he may adopt.

Subd. 2. The directors of the Minnesota energy agency and the Minnesota pollution control agency shall, in consultation with the department of administration, investigate disposal and purchasing practices to conserve natural resources which appear to be appropriate for implementation by state agencies such as requiring all

state agencies to utilize, where practicable, recycled, reusable and substitute products, including but not limited to recycled paper, recycled motor oil and recapped motor vehicle tires. By no later than January 1, 1979, the directors of the Minnesota energy agency and the Minnesota pollution control agency shall recommend specific disposal and purchasing practices to the commissioner of administration. By no later than June 30, 1979, the commissioner of administration shall establish procedures or, by order require all state agencies, to utilize specific practicable disposal and purchasing practices designed to conserve natural resources."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 2143: A bill for an act relating to family planning services; providing for special grants for family planning services; appropriating money; amending Minnesota Statutes 1976, Section 145.922, by adding a subdivision; and Chapter 145, by adding a section.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 17, strike "*emergency and*"

Page 2, strike lines 25 through 29 and insert "*planning is private data on individuals within the meaning of section 15.162, subdivision 5a.*"

Page 2, line 31, after "*health*" insert "*for the biennium ending June 30, 1979*"

Page 2, line 32, strike "*section 1*" and insert "*this act*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 1594: A bill for an act relating to education; pupils; requiring a school breakfast program in each district.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 11, insert:

"Subd. 3. The commissioner of education shall grant an exemption to any school that can demonstrate that the reasonable costs incurred by the implementation of the school breakfast program would be greater than the income that the program would generate."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Finance, to which was referred S. F. No. 2105: A bill for an act relating to interim claims against the state; appropriating money for the payment thereof.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 6, after "Section 1." insert "[GENERAL FUND CLAIMS.]"

Page 3, delete lines 2 to 4

Page 3, delete lines 9 to 11

Page 3, delete lines 16 to 21

Page 3, after line 21, insert:

"Subd. 12. Hilder Saltness, 110 North Nine Street, Olivia, Minnesota 56277, for a finger broken by a fellow patient who assaulted him at Willmar state hospital, since the break was treated by hospital staff but did not mend properly \$2,500.00

Sec. 2. [GAME AND FISH FUND CLAIMS.] Subdivision 1. The sum set forth in this section is appropriated from the game and fish fund to the person named in full and final payment of a claim against the state.

Subd. 2. Mark J. Nosan, 1002 N.W. Third Avenue, Chisholm, Minnesota 55719, for unsold fishing licenses for the year 1975 returned by him after the deadline for returning for a full refund had passed \$600.00

Sec. 3. [TRUNK HIGHWAY FUND CLAIMS.] Subdivision 1. The sum set forth in this section shall be paid by the commissioner of transportation out of money available to him for highway development to the person named in full and final payment of a claim against the state.

Subd. 2. Milan Stojevich, 8419 Grand Avenue, Duluth, Minnesota 55808, as a refund of the unused portion of a deposit paid by him to cover the costs of processing a release of access to his property, since the deposit was inadvertently credited to an account from which refunds may not be paid \$250.00"

Renumber the subdivisions

Page 3, line 22, delete "Sec. 2." and insert "Sec. 4. [VETERANS BONUS CLAIMS.]"

Page 5, delete lines 5 to 8

Page 5, delete lines 13 and 14

Page 7, delete lines 11 and 12

Page 7, delete lines 21 and 22

Page 8, delete lines 15 and 16

Page 8, delete lines 19 and 20

- Page 9, delete lines 5 and 6
Page 9, delete lines 25 and 26
Page 10, delete lines 29 to 32
Page 11, delete lines 27 and 28
Page 12, delete lines 9 and 10
Page 12, delete lines 13 and 14
Page 12, delete lines 21 and 22
Page 12, delete lines 25 and 26
Page 13, delete lines 19 to 22
Page 13, delete lines 31 and 32
Page 14, delete lines 1 and 2
Page 14, delete lines 7 and 8
Page 14, delete lines 11 to 18
Page 14, delete lines 21 and 22
Page 14, delete lines 25 and 26
Page 14, delete lines 29 and 30
Page 15, delete lines 7 and 8
Page 15, delete lines 13 to 16
Page 15, delete lines 21 to 24
Page 15, delete lines 29 and 30
Page 16, delete lines 1 to 4
Page 16, delete lines 9 to 18
Page 16, delete lines 21 to 24
Page 16, delete lines 31 and 32
Page 17, delete lines 9 and 10
Page 17, delete lines 13 and 14
Page 17, delete lines 25 to 28
Page 17, delete lines 31 and 32
Page 18, delete lines 3 and 4
Page 18, delete lines 7 and 8
Page 18, after line 22, insert:

“Sec. 5. Laws 1975, Chapter 158, Section 4, is amended to read:

Sec. 4. Subdivision 1. The state of Minnesota hereby waives immunity and consents to commencement of a suit in the case set forth in this section. Any suit shall be commenced within six

months from the date of final enactment. The state and the department of public welfare may be named as defendants in any suit commenced under this section and shall be served by the service of a summons and complaint upon the attorney general. The sums necessary to pay any resulting judgment are hereby appropriated from the fund designated. In no case shall the judgment exceed the monetary ceiling set forth in this section; provided further that the parties are ~~shall not authorized to settle this case prior to trial but~~ *without the approval of the court before which the case is pending. In the event the case is tried, the parties* are directed to litigate fully the following issues: Was the state of Minnesota negligent in allowing a patient to escape from the Anoka state hospital? If so, was ~~this~~ *the* negligence the proximate cause of the fire at the Rum River Lumber Company? If so, what are the monetary damages for loss of income and property loss? ~~The state and the department are further instructed to take all applicable appeals available to them.~~ This waiver of immunity is not an admission of liability on the part of the state or its departments. Further, the ceilings set forth below should not be construed in any way as a determination by the legislature as to the amount of loss suffered by the claimant. In any such action, the state or its departments may interpose any legal or equitable defense except the defenses of sovereign immunity and the statute of limitations.

Subd. 2. Rum River Lumber Company, Anoka, Minnesota, for loss of income and property damage not covered by insurance resulting from a fire allegedly set by an escapee from the Anoka state hospital. Any judgment rendered in this matter shall not exceed ~~\$25,000~~ *\$15,835* for loss of income and ~~\$16,000~~ *\$131,808* for property damage. Any such judgment shall be satisfied from any moneys in the state treasury not otherwise appropriated.

Sec. 6. [EFFECTIVE DATE.] This act is effective the day following final enactment."

Amend the title as follows:

Line 2, delete "interim"

Line 3, before the period insert "; altering conditions for waiver of immunity from suit by the Rum River Lumber Company; amending Laws 1975, Chapter 158, Section 4"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 2183: A bill for an act relating to the administration of justice; providing for compensation of assistant public defenders; amending Minnesota Statutes 1976, Section 611.24.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1804: A bill for an act relating to courts; concerning the expungement of judicial commitment proceedings.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 7, strike "EXPUNGEMENT" and insert "SEALING"

Page 1, line 9, strike the first "district" and insert "probate"

Page 1, line 9, strike the second "district" and insert "county"

Page 1, line 10, strike "expungement" and insert "sealing"

Page 1, line 12, strike "shall" and insert "may"

Page 1, line 12, strike "expunge those" and insert "seal the commitment"

Page 1, line 12, strike "whose" and insert "if it finds that access to the records"

Page 1, line 13, strike "continued existence"

Page 1, line 18, after "or" insert "to other persons only"

Page 1, line 18, after "court" insert a period

Page 1, strike lines 19 to 20

Amend the title as follows:

Page 1, line 2, strike "concerning" and insert "authorizing"

Page 1, line 2, strike "expungement" and insert "sealing"

Page 1, line 2, after "of" insert "records of"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 2361: A bill for an act relating to peace officers; setting forth criteria for the use of deadly force by peace officers; amending Minnesota Statutes 1976, Sections 609.065; 629.33; and Chapter 609, by adding a section.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 31, after "no" insert "unreasonable"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1871: A bill for an act relating to landlords and tenants; requiring extended eviction notices for long term residential

tenants; limiting an owner's right to increase rent after giving a tenant notice to quit; amending Minnesota Statutes 1976, Section 504.06.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 3, strike "shall"

Page 2, lines 4 and 7, strike "shall have" and insert "has"

Page 2, line 9, strike "shall have the meaning" and insert "means any building which is used in whole or in part as a dwelling, and contains at least four separate dwelling units."

Page 2, strike lines 10 and 11

Page 2, line 19, after "is" insert "more than"

Page 2, line 20, strike "to ten years"

Page 2, line 21, strike the semicolon and insert a period

Page 2, strike lines 22 to 24

Page 2, line 25, after "tenant" insert "the"

Page 2, line 25, strike "to quit his" and insert "required in subdivision 2"

Page 2, line 26, strike "tenancy in a residential dwelling"

Page 2, line 28, strike ". The provisions of this" and insert ", unless the rent increase is applicable to all other tenants in the residential dwelling."

Page 2, strike lines 29 to 32

Page 3, strike lines 1 to 8

Renumber the subdivisions in sequence

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 2274: A bill for an act relating to departments of state; concerning confidential data on individuals; regarding emergency classification of data; amending Minnesota Statutes 1976, Sections 15.162, Subdivision 2a; and 15.1642, Subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 9, strike "1976" and insert ", 1977 Supplement"

Page 2, line 4, delete "June 30, 1977 1978" and insert "July 31, 1978 1979"

Page 2, strike section 2 and insert

"Sec. 2. Minnesota Statutes, 1977 Supplement, Section 15.1642, Subdivision 5, is amended to read:

Subd. 5. [EXPIRATION OF EMERGENCY CLASSIFICATION.] All emergency classifications granted under this section and still in effect shall expire on July 31, ~~1978~~ 1979. No emergency classifications shall be granted after July 31, ~~1978~~ 1979."

Page 2, after line 18, insert:

"Sec. 3. Minnesota Statutes 1976, Chapter 144, is amended by adding a section to read:

[144.1751] [DISCLOSURE OF INFORMATION FROM VITAL RECORDS.] *Subdivision 1. Except as otherwise provided for in this section and section 144.176, information contained in vital records is public information. Physical access to vital records shall be subject to the supervision and regulation of state and local registrars and their employees pursuant to rules promulgated by the commissioner in order to protect vital records from loss, mutilation or destruction and to prevent improper disclosure of records which are confidential or private data on individuals, as defined in section 15.162, subdivisions 2a and 5a.*

Subd. 2. Disclosure of information pertaining to births out of wedlock or information from which it can be ascertained shall be made only to the guardian of the person, the person to whom the record pertains when the person is 18 years of age or older, or upon order of a court of competent jurisdiction. The birth and death records of the commissioner of health shall be open to inspection by the commissioner of public welfare and it shall not be necessary for him to obtain an order of the court in order to inspect records or to secure certified copies thereof.

Subd. 3. No person shall prepare or issue any certificate which purports to be an original, certified copy, or copy of a vital record except as authorized in sections 144.151 to 144.205 or the rules of the commissioner.

Subd. 4. The state registrar may permit persons performing medical research access to the information restricted in subdivision 2 if those persons agree in writing not to disclose confidential or private data on individuals, as defined in section 15.162, subdivisions 2a and 5a.

Subd. 5. When a resident of another state is born or dies in this state, the state registrar shall send a report of the birth or death to the state of residence.

Sec. 4. [REPEALER.] *Minnesota Statutes, 1976, Section 144.175, Subdivisions 1, 4, and 5; and Minnesota Statutes, 1977 Supplement, Section 144.175, Subdivision 2, are repealed."*

Page 2, line 19, strike "its"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon insert "guarding access to vital statistics records;"

Page 1, line 5, strike "1976" and insert ", 1977 Supplement"

Page 1, line 6, strike "and"

Page 1, line 6, strike "3" and insert "5"

Page 1, line 6, before the period insert "; and Minnesota Statutes 1976, Chapter 144, by adding a section; repealing Minnesota Statutes 1976, Section 144.175, Subdivisions 1, 4 and 5; and Minnesota Statutes, 1977 Supplement, Section 144.175, Subdivision 2"

And when so amended the bill do pass. Amendments adopted.
Report adopted.

Mr. Tennesen from the Committee on Commerce, to which was referred

S. F. No. 1861: A bill for an act relating to credit life and accident and health insurance; requiring notice of right to cancel and receive refund upon prepayment of indebtedness; amending Minnesota Statutes, 1977 Supplement, Section 62B.05.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 17, after "creditor" insert "*then holding the evidence of indebtedness*"

Page 2, line 20, strike "*procured*" and insert "*procured*"

Page 2, line 22, strike "*and in a manner calculated to inform*"

Page 2, strike line 23

Page 2, line 24, strike "*refund*"

And when so amended the bill do pass. Amendments adopted.
Report adopted.

Mr. Tennesen from the Committee on Commerce, to which was referred

H. F. No. 2243: A bill for an act relating to the city of Rochester; issuance of licenses for the sale of intoxicating liquor at Mayo civic auditorium.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 8, strike everything after the brackets

Page 1, strike lines 9 to 18 and insert "Notwithstanding the provisions of any statute, ordinance or charter to the contrary, the governing body of the city of Rochester may by ordinance authorize the dispensing, by sale or otherwise, of intoxicating liquor at the premises known and used as the Mayo Civic Auditorium. The ordinance may permit persons or organizations per-

mitted to use space on the premises for the purpose of conducting any convention, banquet, conference, meeting or social affair to engage any licensee having a regularly issued on-sale license for a location within the city to dispense intoxicating liquor to members or guests attending the convention, banquet, conference, meeting or social affair.”

Page 1, line 19, strike everything before “The”

Page 1, line 20, strike “a” and insert “the”

Amend the title as follows:

Page 1, line 2, after the semicolon insert “authorizing”

Page 1, line 3, strike “licenses” and insert “a license”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Tennesen from the Committee on Commerce, to which was referred

S. F. No. 1836: A bill for an act relating to savings associations; authorizing savings associations to establish negotiable order of withdrawal accounts; amending Minnesota Statutes 1976, Chapter 51A, by adding a section.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1976, Chapter 51A, is amended by adding a section to read:

[51A.345] [NEGOTIABLE ORDER OF WITHDRAWAL ACCOUNT.] *An insured association may establish negotiable order of withdrawal accounts on which it may or may not pay interest or dividends. Withdrawals from the accounts are subject to the right of the association to require the account holder to give notice of an intended withdrawal not less than 30 days before the withdrawal is made, though in practice the notice is not regularly required and the account holder is allowed to make withdrawals by negotiable instruments for the purpose of making payments to third persons or otherwise.*

An insured savings association shall maintain a reserve sufficient to satisfy reserve requirements of section 51A.36 or requirements of the Federal Home Loan Bank, whichever is applicable, of its noninterest bearing negotiable order of withdrawal accounts, which shall be in cash, cash items in process of collection, and not more than 30 percent in direct obligations at the Federal Home Loan Bank which mature within one year from the date the obligations are first considered as a part of the association's reserve. If on any one day a savings association shall fail to meet the reserve requirements of this section then that association shall pay a fine of \$50 per day to the commissioner of banks on his making a request for payment. Whenever the commissioner of banks shall determine

that the maintenance of sound banking practices or the prevention of injurious credit expansion or contraction makes action advisable, he may by directive change the requirements as to reserves against noninterest or interest bearing negotiable order of withdrawal accounts in savings associations. The reserve requirements established in any such directive shall not be more than those required of member associations of the Federal Home Loan Bank on the date that the directive is issued by the commissioner."

Further, amend the title as follows:

Page 1, line 4, after "accounts;" add "imposing reserve requirements;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Anderson from the Committee on Energy and Housing, to which was referred

S. F. No. 1706: A bill for an act relating to energy; changing the powers of the Minnesota energy agency; providing for the confidentiality of proprietary data furnished to the energy agency; mandating certain residential energy efficiency standards; establishing insulation product and application standards; prescribing penalties; appropriating money; amending Minnesota Statutes 1976, Section 116H.08; Chapter 116H, by adding a section; and Minnesota Statutes, 1977 Supplement, Section 116H.129, Subdivision 1, and by adding subdivisions.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 116H.08, is amended to read:

116H.08 [POWERS.] The director may:

(a) Adopt rules ~~and regulations~~, pursuant to chapter 15 necessary to carry out the purposes of sections 116H.01 to 116H.15;

(b) Make all contracts pursuant to sections 116H.01 to 116H.15 and do all things necessary to cooperate with the United States government, and to qualify for, accept and disburse any private grant intended for the administration of sections 116H.01 to 116H.15. Notwithstanding any other law the agency is designated the state agency to apply for, receive and accept federal or other funds made available to the state for the purposes of sections 116H.01 to 116H.15.

(c) Contract for professional services if such work or services cannot be satisfactorily performed by employees of the agency or by any other state agency;

(d) Enter into interstate compacts to jointly carry out such research and planning with other states or the federal government where appropriate;

(e) Distribute informational material at no cost to the public upon reasonable request.

Sec. 2. Minnesota Statutes 1976, Chapter 116H, is amended by adding a section to read:

[116H.101] [CONFIDENTIALITY OF DATA.] *Subdivision 1. For purposes of this section, "protected information" means trade secrets consisting of any process, formula, pattern, decision or compilation of information which is used directly or indirectly in the business of the transmitting party, which gives such party an advantage or the opportunity to obtain an advantage over competitors who do not know or use it, and other information which is privileged such that disclosure of the information is likely to impair the agency's ability to obtain necessary information in the future or to cause substantial harm to the competitive position of the transmitter.*

Subd. 2. Information may be transmitted to the energy agency which is certified in affidavit form by the transmitter thereof to be protected information. If the director determines that the information so transmitted and certified is protected information, it is not public and shall be used by the agency solely to discharge its statutory obligation, unless otherwise specifically authorized by the transmitter of the information.

Subd. 3. Protected information which is data on individuals, as defined in section 15.162, subdivision 3, is private, and shall be handled by the agency pursuant to the provisions of sections 15.162 to 15.167.

Subd. 4. If information is transmitted to the energy agency that is certified in affidavit form by the transmitter thereof to be protected information which the director believes does not qualify as protected information, the director shall first notify the transmitter to allow the transmitter an opportunity to demonstrate in more detail why such information is protected information. If the director continues to believe the information does not qualify as protected information, he may institute an action in an appropriate court for a declaratory judgement as to whether the information is subject to protection under this section.

Subd. 5. Protected information may be used by the agency in compiling or publishing analyses or summaries relating to the general condition of the state's energy resources, so long as the transmitter of the information or the individual subject of the data cannot be identified from such analyses or summaries and that all such analyses or summaries shall be available for public inspection in the office of the agency during normal business hours.

Subd. 6. The energy agency shall be liable to a person who suffers substantial damage as a result of the violation of any provision of this section which relates to protected information which is not data on individuals. The person may bring an action against the agency to recover the damages sustained plus costs and reasonable attorney's fees. In the case of a willful violation by

a public employee which is shown in such an action to have caused substantial harm to a person, the employee shall, in addition, be liable for exemplary damages of not more than \$1,000 for each violation. A willful violation by a public employee shall constitute just cause for appropriate disciplinary action, including suspension without pay or dismissal.

Subd. 7. A violation of any provision of this section which relates to protected information which is data on individuals shall be subject to the provisions of sections 15.166 and 15.167.

Sec. 3. [RESIDENTIAL ENERGY DISCLOSURE REPORT.]
Subdivision 1. [DEFINITIONS.] For the purposes of this section, the following terms shall have the meaning given them.

Subd. 2. "Residence" means any dwelling for habitation either seasonally, meaning all or a portion of the months of December through March or permanently by one or more persons. A residence may be owned or rented and may be part of a multidwelling or multipurpose building, but shall not include buildings such as hotels, hospitals, motels, dormitories, sanitariums, nursing homes, schools and other buildings used for educational purposes, or correctional institutions. A mobile home as defined in section 168.011, subdivision 8, shall be a residence for purposes of this section.

Subd. 3. "Time of sale" means the time when a written purchase agreement is executed by the buyer, or, in the absence of a purchase agreement, prior to the execution of any document providing for the conveyance of a residence.

Subd. 4. "Energy disclosure report" means the written and signed evaluation by a person certified pursuant to subdivision 6 of this section made on an approved form, representing to the actual buyer of the residence evaluated that the evaluator has used reasonable care and diligence, and has found no instance of noncompliance with the items contained on the approved form as of the date thereon except as specifically designated.

Subd. 5. [RULES.] The commissioner of administration, in consultation with the director of the energy agency and the appropriate standing committees of the legislature shall promulgate rules providing for residential energy disclosure requirements and shall approve forms for the purposes of this section. Nothing in the forms shall indicate or be deemed to indicate that the residence meets all state building code specifications.

Subd. 6. By July 1, 1979, the commissioner of administration shall certify evaluators in each county of the state who are qualified to determine the compliance of a residence with applicable energy disclosure requirements. The commissioner of administration shall, by rule pursuant to chapter 15, establish standards for the certification and performance of evaluators and set a fee for the certification of evaluators which is sufficient to cover the ongoing costs of the program once it is established. The commissioner shall encourage the certification of existing groups of trained municipal personnel and individuals from public service organizations. Effective July 1, 1979 each certified evaluator shall, on

request of the owner, inspect any residence and report the degree to which it complies with applicable energy disclosure requirements. The inspections shall be made within 30 days of the request.

Subd. 7. Effective October 1, 1979, no owner or agent shall sell by conveyance or contract for conveyance a residence without providing to the buyer, prior to the time of sale, either a copy of an energy disclosure report for the residence or an affidavit stating that the residence was constructed after January 1, 1976. If the residence has been evaluated subsequent to the effective date of this section no new evaluation shall be required for five years after the date of the evaluation, if a copy of the last evaluation has been delivered to the prospective buyer.

Subd. 8. The provisions of this section shall not apply to the sale or conveyance of any residence to a public body or by a sheriff, constable, marshal or other public or court officer in the performance of his official duties as such, or to trustees in bankruptcy or any other person or persons acting under the direction or authority of any court, state or federal, in selling a residence, except as to a public sale ordered by a probate court in which case this section shall apply.

Subd. 4. Minnesota Statutes, 1977 Supplement, Section 116H.129, Subdivision 1, is amended to read:

116H.129 [ENERGY CONSERVATION IN RESIDENTIAL BUILDINGS.] Subdivision 1. Before January 1, 1978, The commissioner of administration, in consultation with the director and the appropriate standing committees of the legislature, shall promulgate adopt and may amend from time to time minimum energy efficiency standards for existing residential buildings residences which are renter occupied. The standards shall be economically feasible in that the resultant savings in energy procurement costs, based on current and projected average residential energy costs in Minnesota as certified by the director in the state register, will exceed the cost of the energy conserving requirements amortized over a period of five years the five year period subsequent to the incurring of such cost. The costs computed under this section shall include reasonable inflation and interest factors.

By February 15, 1978, the director shall make recommendations to the legislature on methods to obtain compliance with the standards set forth in this subdivision.

Sec. 5. Minnesota Statutes, 1977 Supplement, Section 116H.129, is amended by adding subdivisions to read:

Subd. 3. For purposes of subdivisions 3 to 7, "applicable energy efficiency standards" means those standards established under subdivision 1 which are not shown to be economically infeasible for the building in question.

Subd. 4. Effective July 1, 1983, all residences which are renter occupied during all or a portion of the months of November through April and not owned by a federal, state or local unit of

government shall be in compliance with all applicable energy efficiency standards.

Subd. 5. The provisions of section 5 of this act shall not apply to residences constructed after January 1, 1976.

Subd. 6. The energy agency shall conduct inspections on a random basis for compliance with the provisions of subdivision 4 of this section.

Sec. 6. [HOME INSULATION; CONSUMER PROTECTION; DEFINITIONS.] *Subdivision 1. For the purposes of sections 6 to 11, the following terms shall have the meanings here given them.*

Subd. 2. "Advertisement" means any written or verbal statement, illustration or depiction which appears in the mass media, in brochures, leaflets, or circulars, outdoor advertising, retail displays, or on vehicles, which is designed to cause the sale of or interest in the purchase of insulation.

Subd. 3. "Energy agency" means the Minnesota energy agency as provided in chapter 116H.

Subd. 4. "Industry members" means producers and suppliers of materials from which insulation is made who promote the sale or distribution of insulation; manufacturers of insulation; jobbers, wholesalers and retailers of insulation; contractors and applicators who sell and install residential insulation; and those engaged in the marketing of insulation who are, or who purport to act as, agents of manufacturers or suppliers of insulation.

Subd. 5. "Insulation" means any material or assembly of materials used primarily to provide resistance to heat flow in building structures, including but not limited to mineral fibrous, mineral cellular, organic fibrous, organic cellular or reflective materials, whether in loose fill, flexible, semi-rigid or rigid form.

Subd. 6. "Laboratory qualified to test thermal insulation" means an approved laboratory classified by the energy agency in consultation with industry members as passing an appropriate examination of ability to perform tests and continuing inspection or follow-up service according to specifications for manufacture and installation, also referred to as "testing laboratory".

Subd. 7. "Presenting a clear and present danger" means known to cause physical damage to structure or health hazards to occupants through continuing direct contact or release of hazardous substances as defined in section 24.33.

Subd. 8. "R value" means the measure of resistance to heat flow through a material or the reciprocal of the heat flow through a material expressed in British thermal units per hour per square foot per degree Fahrenheit at seventy-five degrees Fahrenheit mean temperature.

Subd. 9. "Specifications for manufacture and installation" means those specifications in section 7.

Sec. 7. [SPECIFICATIONS FOR THE MANUFACTURE,

LABELING, AND INSTALLATION OF INSULATION.] *Subdivision 1. Within nine months of the effective date of this act, the energy agency shall promulgate rules pursuant to chapter 15 regarding quality, information, and product safety specifications for the manufacture, labeling, installation, and thermographing of insulation. The specifications and any amendments to them shall conform as far as is practical to federal standards or other standards generally accepted and in use throughout the United States. Such standards, with modifications as may be deemed necessary, may be adopted by reference. The specifications as promulgated and any amendments shall be based on the application of scientific principles, approved tests, and professional judgment. Upon the effective date of this act, the energy agency may issue temporary rules pursuant to section 15.0412, subdivision 5, for the purposes of this section.*

Subd. 2. In addition to the specifications promulgated pursuant to subdivision 1 of this section, no insulation presenting a clear and present danger by the nature of its composition at the time of installation shall be used or offered for sale in Minnesota.

Subd. 3. The manufacturer's written instructions describing the proper methods of application of the insulation and required or recommended safety measures shall be provided to each intermediate and ultimate consumer of all insulation sold for use in Minnesota within ten days of when the insulation is sold.

Sec. 8. [TESTING OF INSULATION.] *Subdivision 1. The director of the energy agency shall promulgate rules concerning qualifications of testing laboratories and the nature of continuing inspection and follow-up services for this section.*

Subd. 2. Effective December 1, 1979, all insulation used or offered for sale in Minnesota shall be subject to a continuing inspection and follow-up service by an approved laboratory qualified to test thermal insulation.

Subd. 3. Upon the adoption of specifications under section 6, subdivision 1, all insulation used or offered for sale in Minnesota shall be tested in accordance with testing procedures required under those specifications by a laboratory qualified to test thermal insulation.

Subd. 4. The director of the energy agency shall purchase from time to time unopened insulation packages which shall be sent to an approved testing laboratory to test for compliance with the specifications established under section 6; subdivision 1.

Sec. 9. [UNFAIR AND DECEPTIVE ADVERTISING PRACTICES.] *Subdivision 1. It shall be considered an unfair and deceptive practice to violate any of the provisions of this section.*

Subd. 2. No advertisement for insulation to be used or offered for sale in Minnesota shall state that a percentage of fuel costs or a certain dollar amount of fuel costs will be saved unless the statement is accompanied by the following or substantially similar disclaimer in letters the same size as the claim of savings: "Stated

savings are estimates only. Actual savings may vary depending on type of home, weather conditions, occupant lifestyle, energy prices and other factors."

Subd. 3. No advertisement for insulation to be used or offered for sale in Minnesota shall contain any claim which is false or misleading, or for which there exists no reasonable substantiation at the time the claim is made. Prohibited claims include, but are not limited to, the following: does not burn, noncombustible, self-extinguishing, nonpoisonous, non-irritating, vermin-proof, rodent-proof, resists mildewing, will not shrink, will not crack, permanent, no deterioration, complete coverage, fills all voids, never needs replacing, will not settle. This prohibition shall not apply if the claim is substantiated by tests identified in the specifications established under section 7, subdivision 1, or by appropriate testing procedures of the American Society for Testing and Materials where no test required under section 7, subdivision 1, applies. Such tests shall be made by a laboratory qualified to test thermal insulation. When tests are not designed to duplicate actual conditions, substantiated claims must so state.

Subd. 4. No representation about the thermal resistance value of insulation shall be made unless the R value is given and has been determined by the tests required in the specification established under section 7, subdivision 1, or by appropriate testing procedures of the American Society for Testing and Materials where no test required under section 7, subdivision 1, applies. Such tests shall be made by an approved laboratory qualified to test thermal insulation.

Sec. 10. [MARKING, LABELING, AND CONSUMER INFORMATION.] *Subdivision 1. The outside of all containers and wrappings of insulation used or offered for sale in Minnesota shall have the following information printed legibly thereon in bold type not less than 1/8 inch high:*

(a) *Type (pneumatic or blown, pouring, batt, roll, blanket, board, cellular, or reflective);*

(b) *R value (to the nearest tenth) per inch at the recommended installation density;*

(c) *Required thickness in inches to obtain four or more commonly used R values and the corresponding coverage areas in square feet of the insulation in the container or wrapping;*

(d) *Expiration date and expected shelf life of all resins, catalysts, and foaming agents for all foam insulations, whether in powder, diluted or partially diluted state, on canister, drum, container, or package. For purposes of this section, "foam insulation" means products having an organic base or composed of vinyl or plastic material or both, which are manufactured or installed using a process involving a foaming agent, a resin, a catalyst and an air compressor, including but not limited to urea-formaldehyde, other urea-based foams, urethane foam, polyurethane foam, polystyrene foam, and isocyanurate foam.*

(e) *Name and address of the manufacturer of the insulation;*

(f) A notation of those current specifications of the United States General Services Administration, the United States Department of Energy, the United States Department of Housing and Urban Development, the United States Consumer Product Safety Commission, the Federal Trade Commission and the energy agency with which the insulation complies;

(g) The net weight of the contents of the bag, package, or container.

Subd. 2. Where insulation is used or offered for sale without the manufacturer's container, the information required in subdivision 1 shall be provided in a separate printed statement to the intermediate and ultimate consumers.

Sec. 11. [ENFORCEMENT; PENALTIES.] Subdivision 1. Violation of section 7, subdivision 2, or section 8, subdivision 2 or 3, shall constitute a misdemeanor, provided that the sole liability for such violation on insulation sold under the manufacturer's brand or trademark shall be the manufacturer's, and that an industry member who is not a manufacturer shall be liable under this subdivision only if he has actual knowledge or knowledge fairly implied on the basis of the objective circumstances that the insulation presents a clear and present danger or has not been subject to the required testing procedures.

Subd. 2. Violation of section 9 or 10 shall constitute a misdemeanor.

Subd. 3. The provisions of section 9 may be enforced by the attorney general pursuant to section 325.907. The attorney general may recover costs and disbursements, including costs of investigation and reasonable attorney's fees. In addition to the remedies otherwise provided by law, any person injured by a violation of sections 7, 9, or 10 may bring a civil action and recover damages together with costs of investigation and reasonable attorney's fees, and receive other equitable relief as determined by the court. The court may as appropriate enter a consent judgment or decree without the finding of illegality.

Subd. 4. Remedies taken under this section shall not exclude other civil or criminal actions under Minnesota Statutes.

Sec. 12. [116H.21] [COMMUNITY ENERGY CONSERVATION COUNCILS.] Subdivision 1. The governing body of each home rule charter or statutory city may establish a community energy conservation council to review the energy needs and energy use practices of individuals, businesses and governmental entities situated within the city, and to develop, promote and coordinate energy conservation plans and voluntary energy conservation measures designed to achieve significant reductions in energy consumption and more efficient uses of energy. Cities may jointly exercise the powers granted in this section pursuant to the provisions of section 471.59.

Subd. 2. Each council shall be composed of not less than five nor more than 15 members appointed by the governing body of the city to serve at its pleasure and without compensation. The

membership of a council shall be broadly representative of the community involved and shall include business people, government officials, homeowners and renters residing in the city.

Subd. 3. Each council shall consult and cooperate with the Minnesota energy agency to the maximum extent practicable. In an energy emergency, each council shall perform such functions and duties as may be assigned to it pursuant to rules promulgated by the energy agency.

Subd. 4. A community energy conservation council shall serve only in an advisory capacity to the governing body of the city, except insofar as it may be performing duties lawfully delegated to it by the energy agency, in which case it shall exercise the authority lawfully conferred on it.

Subd. 5. Each city establishing a community energy conservation council shall provide adequate office space, equipment and supplies, clerical support and other assistance as may be necessary for the council to perform its responsibilities.

Sec. 13. Minnesota Statutes 1976, Section 394.25, Subdivision 2, is amended to read:

Subd. 2. Zoning ordinances establishing districts within which the use of land or the use of water or the surface of water pursuant to section 378.32 for agriculture, forestry, recreation, residence, industry, trade, soil conservation, water supply conservation, surface water drainage and removal, conservation of shorelands, as defined in section 105.485, and additional uses of land and of the surface of water pursuant to section 378.32, may be by official controls encouraged, regulated, or prohibited and for such purpose the board may divide the county into districts of such number, shape, and area as may be deemed best suited to carry out the comprehensive plan. Official controls may also be applied to wetlands preservation, open space, parks, sewage disposal, protection of ground water, protection of flood plains as defined in section 104.02, protection of wild, scenic or recreational rivers as defined in section 104.33, protection of slope, soils, unconsolidated materials or bedrock from potentially damaging development, preservation of forests, woodlands and essential wildlife habitat, reclamation of non-metallic mining lands; *protection and encouragement of access to direct sunlight for solar energy systems as defined in section 116H.02, subdivision 11; and the preservation of agricultural lands.*

Sec. 14. Minnesota Statutes 1976, Section 394.27, Subdivision 7, is amended to read:

Subd. 7. The board of adjustment shall have the exclusive power to order the issuance of variances from the terms of any official control including restrictions placed on nonconformities. Variances shall only be permitted when they are in harmony with the general purposes and intent of the official control in cases when there are practical difficulties or particular hardship in the way of carrying out the strict letter of any official control,

and when the terms of the variance are consistent with the comprehensive plan. "Hardship" as used in connection with the granting of a variance means the property in question cannot be put to a reasonable use if used under the conditions allowed by the official controls; the plight of the landowner is due to circumstances unique to his property not created by the landowner; and the variance, if granted, will not alter the essential character of the locality. Economic considerations alone shall not constitute a hardship if a reasonable use for the property exists under the terms of the ordinance. No variance may be granted that would allow any use that is prohibited in the zoning district in which the subject property is located. The board of adjustment may impose conditions in the granting of variances to insure compliance and to protect adjacent properties and the public interest. *The board of adjustment may consider the inability to use solar energy systems a "hardship" in the granting of variances.*

Sec. 15. Minnesota Statutes 1976, Section 462.12, is amended to read:

462.12 [RESTRICTED RESIDENCE DISTRICTS.] Any city of the first class may, through its council, upon petition of 50 percent of the owners of the real estate in the district sought to be affected, by resolution, designate and establish by proceedings hereunder restricted residence districts and in and by such resolution and proceedings prohibit the erection, alteration, or repair of any building or structure for any one or more of the purposes hereinafter named, and thereafter no building or other structure shall be erected, altered or repaired for any of the purposes prohibited by such resolution and proceedings, which may prohibit the following: hotels, restaurants, eating houses, mercantile business, stores, factories, warehouses, printing establishments, tailor shops, coal yards, ice houses, blacksmith shops, repair shops, paint shops, bakeries, dyeing, cleaning and laundering establishments, billboards and other advertising devices, public garages, public stables, apartment houses, tenement houses, flat buildings, any other building or structure for purposes similar to the foregoing. Public garages and public stables shall include those, and only those, operated for gain.

Nothing herein contained shall be construed to exclude *the construction of a building which will utilize a solar energy system, nor the retrofitting of any existing building to utilize a solar energy system, so long as the building is not employed for a prohibited purpose, nor double residences or duplex houses, so-called schools, churches, or signs advertising for rent or sale the property only on which they are placed, and nothing herein contained shall be construed so as to prohibit the council of any such city of the first class from permitting the remodeling or reconstruction of the interior of any structure in any such restricted residence district which possesses a gross ground area delineated by its foundation walls of at least 1,000 square feet, so that the same shall contain separate accommodations for several, not in excess of four, families; provided that the substantial alteration of the*

exterior of any such structure shall not be authorized in any such case; and provided further, that such city council shall expressly find in each such case that such remodeling or alteration shall be consistent with the public health and safety.

No building or structure erected after the creation of such district shall be used for any purpose for which its erection shall be prohibited hereunder.

The term "council" in sections 462.12 to 462.17 means the chief governing body of the city by whatever name called.

Any district or any portion thereof created under the provisions of sections 462.12 to 462.17 may be vacated and the restrictions thereon removed by the council upon petition of 50 percent of the owners of the real estate in the original district. A portion of a restricted residence district may be vacated and relieved of the restrictions imposed thereon pursuant to sections 462.12 to 462.17 by the council upon petition of the owners of the portion of the district sought to be relieved if such portion or lot sought to be relieved does not in any part lie between other portions of such restricted district, or if the portion sought to be relieved abuts along a public street or alley along one border of such district and extends along said public street or alley the entire distance between cross streets, or if the portion or lot sought to be relieved is contiguous to, along one or both sides, or across a public street along its entire front from a parcel of land which shall be duly zoned under a valid municipal zoning ordinance for commercial, multiple dwelling or industrial purposes. The vacation of such district or portion thereof and the removal of the restrictions therefrom shall be accomplished in the same manner herein provided for the creation of any such district, and in the vacation of any such district or any portion thereof and the removal of such restrictions each and all of the provisions of sections 462.12 to 462.17 as to allowance of damages and benefits to property affected and as to the appointment of commissioners to appraise such damages and benefits and the duties of such commissioners, of the city clerk, and of each and all of the other officers upon whom duties are herein imposed shall be complied with, and when such proceedings for the vacation of any such district or portion thereof shall have been completed, the property included within such district or portion thereof so vacated shall be deemed relieved of each and all of the restrictions imposed in the proceeding creating such district. In the allowance of damages and benefits to property affected by any proposed vacation, no evidence shall be received, or consideration given to the existence of any other restriction or any restrictive or zoning ordinance, law, or regulation.

Sec. 16. Minnesota Statutes 1976. Section 462.357, Subdivision 1, is amended to read:

462.357 [PROCEDURE FOR PLAN EFFECTUATION; ZONING.] Subdivision 1. [AUTHORITY FOR ZONING.] For the purpose of promoting the public health, safety, morals and general welfare, a municipality may by ordinance regulate the

location, height, bulk, number of stories, size of buildings and other structures, the percentage of lot which may be occupied, the size of yards and other open spaces, the density and distribution of population, the uses of buildings and structures for trade, industry, residence, recreation, public activities, or other purposes, and the uses of land for trade, industry, residence, recreation, agriculture, forestry, soil conservation, water supply conservation, conservation of shorelands, as defined in section 105.485, *access to direct sunlight for solar energy systems as defined in section 116H.02*, flood control or other purposes, and may establish standards and procedures regulating such uses. The regulations may divide the municipality into districts or zones of suitable numbers, shape and area. The regulations shall be uniform for each class or kind of buildings, structures or land and for each class or kind of use throughout such district, but the regulations in one district may differ from those in other districts. The ordinance embodying these regulations shall be known as the zoning ordinance and shall consist of text and maps. A city may by ordinance extend the application of its zoning regulations to unincorporated territory located within two miles of its limits in any direction, but not in a county or town which has adopted zoning regulations; provided that where two or more noncontiguous municipalities have boundaries less than four miles apart, each is authorized to control the zoning of land on its side of a line equidistant between the two noncontiguous municipalities unless a town or county in the affected area has adopted zoning regulations. Any city may thereafter enforce such regulations in the area to the same extent as if such property were situated within its corporate limits, until the county or town board adopts a comprehensive zoning regulation which includes the area.

Sec. 17. Minnesota Statutes 1976, Section 462.357, Subdivision 6, is amended to read:

Subd. 6. [APPEALS AND ADJUSTMENTS.] Appeals to the board of appeals and adjustments may be taken by any affected person upon compliance with any reasonable conditions imposed by the zoning ordinance. The board of appeals and adjustments has the following powers with respect to the zoning ordinance:

(1) To hear and decide appeals where it is alleged that there is an error in any order, requirement, decision, or determination made by an administrative officer in the enforcement of the zoning ordinance.

(2) To hear requests for variances from the literal provisions of the ordinance in instances where their strict enforcement would cause undue hardship because of circumstances unique to the individual property under consideration, and to grant such variances only when it is demonstrated that such actions will be in keeping with the spirit and intent of the ordinance. *Undue hardship includes, but is not limited to, inadequate access to direct sunlight for solar energy systems.* The board of appeals and adjustments or the governing body as the case may be, may not permit as a variance any use that is not permitted under the

ordinance for property in the zone where the affected person's land is located. The board or governing body as the case may be, may permit as a variance the temporary use of a one family dwelling as a two family dwelling. The board or governing body as the case may be may impose conditions in the granting of variances to insure compliance and to protect adjacent properties.

Sec. 18. Minnesota Statutes 1976, Section 462.358, Subdivision 2, is amended to read:

Subd. 2. [TERMS OF REGULATIONS.] Subdivision regulations shall require that a proposed subdivision plat shall be in conformity with the official map if such exist. In establishing requirements for the location and width of streets, the municipality shall take into consideration anticipated traffic needs and the prospective character of the development and make any reasonable requirements therefor. As a condition to the approval of any subdivision plat of lands to which the regulations apply, subdivision regulations may prescribe requirements concerning the extent and manner in which streets shall be graded and improved, and electric and gas distribution lines or piping, water, sewer, or other facilities shall be installed. The regulations may provide, or authorize the governing body or other platting authority to provide, that, in lieu of the completion of such work before the final approval of the plat, the governing body or platting authority may accept or require a contract secured by a cash deposit, certified check, or a bond in an amount and with surety and conditions satisfactory to it, to assure the municipality that such improvements and utilities will be actually constructed and installed according to the specifications approved by the governing body or platting authority as expressed in the contract; and the municipality may enforce such contracts by appropriate legal and equitable remedies. The subdivision regulations may require that in appropriate plots of subdivisions to be developed for residential, commercial, industrial or other uses, or as a planned development which includes residential, commercial and industrial uses, or any combination thereof, that a reasonable portion of each proposed subdivision be dedicated to the public for public use as parks, playgrounds, public open space, or storm water holding areas or ponds, or that the subdivider contribute an equivalent amount in cash based on the fair market value of the undeveloped land, as defined by the regulations, provided that cash payments received under such regulations shall be placed in a special fund by the municipality and used only for the acquisition of land for parks, playgrounds, public open space and storm water holding areas or ponds, development of existing park and playground sites, public open space and storm water holding areas or ponds, and debt retirement in connection with land previously acquired for such public purposes. The subdivision regulations, in setting forth the reasonable portion of each proposed subdivision to be dedicated to the public for public use as provided above, may take into consideration the open space, park, recreational or common areas and facilities which the subdivider has provided for the exclusive use of the residents of the subdivision.

A municipality may, through subdivision regulations, prohibit or restrict development for purposes of soil and water conservation. Such soil and water conservation regulations may call for site development plans with provisions for the control of drainage, erosion, and siltation.

A municipality may, for purposes of protecting and assuring access to direct sunlight for solar energy systems, prohibit, restrict or control development through subdivision regulations. The regulations may call for subdivision development plans containing restrictive covenants, height restrictions, side yard and setback requirements, or other permissible forms of land use controls.

Sec. 19. Minnesota Statutes 1976, Section 462.358, Subdivision 6, is amended to read:

Subd. 6. [VARIANCES.] Subdivision regulations may provide for a procedure for varying the regulations as they apply to specific properties where an unusual hardship on the land exists, but variances may be granted only upon the specific grounds set forth in the regulations. *Unusual hardship includes, but is not limited to, inadequate access to direct sunlight for solar energy systems.*

Sec. 20. Minnesota Statutes 1976, Section 462.39, Subdivision 3, is amended to read:

Subd. 3. [PLANNING.] The commission shall prepare and adopt, after appropriate study and such public hearings as may be necessary, a comprehensive development plan for the region. The plan shall consist of a compilation of policy statements, goals, standards, programs, and maps prescribing guides for an orderly and economic development, public and private, of the region. The comprehensive development plan shall recognize and encompass physical, social, or economic needs of the region, and those future developments which will have an impact on the entire region including but not limited to such matters as land use, parks and open space land needs, *access to direct sunlight for solar energy systems*, the necessity for and location of airports, highways, transit facilities, public hospitals, libraries, schools, public and private, housing, and other public buildings. In preparing the development plan the commission shall use to the maximum extent feasible the resources studies and data available from other planning agencies within the region, including counties, municipalities, special districts, and subregional planning agencies, and it shall utilize the resources of the state planning agency to the same purpose. No development plan or portion thereof for the region shall be adopted by the commission until it has been submitted to the state planning agency for review and comment and a period of 60 days has elapsed after such submission. When a development plan has been adopted, the commission shall distribute it to all local government units within the region.

Sec. 21. Minnesota Statutes 1976, Section 473.05, Subdivision 1, is amended to read:

473.05 [PLANS.] Subdivision 1. The commission shall make

plans for the physical, social, and economic development of its metropolitan area with the general purpose of guiding and accomplishing a coordinated and harmonious development of the area and of public facilities, improvements, and utilities which do not begin and terminate within the boundaries of any single governmental unit or which do not relate exclusively to the development of any single governmental unit. Such plans may include, among other things, suggestions as to highways and other transportation facilities, parks and recreational facilities, *methods for protection and assuring access to direct sunlight for solar energy systems*, drainage and water supply facilities, public buildings, utilities and services, as well as suggested standards for the subdivision of land and for control over the construction, height, bulk, location and use of buildings and premises. The commission may adopt by resolution of a majority of its full membership any such plan or portion of any plan as its official recommendation for the development of the area.

Sec. 22. Minnesota Statutes 1976, Section 473.859, Subdivision 2, is amended to read:

Subd. 2. [LAND USE PLAN.] A land use plan shall designate the existing and proposed location, intensity and extent of use of land and water for agricultural, residential, commercial, industrial and other public and private purposes, or any combination of such purposes. A land use plan shall contain a protection element, as appropriate, for historic sites and the matters listed in section 473.204, *and an element for protection and development of access to direct sunlight for solar energy systems*. A land use plan shall also include a housing element containing standards, plans and programs for providing adequate housing opportunities to meet existing and projected local and regional housing needs, including but not limited to the use of official controls and land use planning to promote the availability of land for the development of low and moderate income housing.

Sec. 23. Minnesota Statutes 1976, Section 561.01, is amended to read:

561.01 [NUISANCE; ACTION.] *Subdivision 1.* Anything which is injurious to health, or indecent or offensive to the senses, or an obstruction to the free use of property, so as to interfere with the comfortable enjoyment of life or property, is a nuisance. An action may be brought by any person whose property is injuriously affected or whose personal enjoyment is lessened by the nuisance, and by the judgment the nuisance may be enjoined or abated, as well as damages recovered.

Subd. 2. An action may be brought by any person whose access to sunlight for purposes of solar energy use is substantially and injuriously affected by the construction or maintenance of a structure or the planting or growth of a tree or shrub. Notwithstanding any law to the contrary, the legislature declares that the use of solar energy systems is a reasonable use of land, and it shall be no defense to a cause of action arising under this subdivision that the use of sunlight for solar energy constitutes an

abnormally sensitive use of land. In all other respects, the common law of nuisance as established in Minnesota shall control.

Sec. 24. Subdivision 1. "Solar easement" means a right, whether or not stated in the form of a restriction, easement, covenant, or condition, in any deed, will, or other instrument executed by or on behalf of any owner of land or solar skyspace for the purpose of ensuring adequate exposure of a solar energy system as defined in section 116H.02, Subdivision 11, to solar energy.

Subd. 2. Any property owner may grant a solar easement in the same manner and with the same effect as a conveyance of an interest in real property. The easements shall be created in writing and shall be filed, duly recorded, and indexed in the office of the recorder of the county in which the easement is granted. No duly recorded solar easement shall be unenforceable on account of lack of privity of estate or privity of contract; such easements shall run with the land or lands benefited and burdened and shall constitute a perpetual easement, except that a solar easement may terminate upon the conditions stated therein or pursuant to the provisions of section 500.20.

Subd. 3. Any deed, will, or other instrument that creates a solar easement shall include, but the contents are not limited to:

(a) a description of the real property subject to the solar easement and a description of the real property benefiting from the solar easement;

(b) a description of the vertical and horizontal angles, expressed in degrees and measured from the site of the solar energy system, at which the solar easement extends over the real property subject to the solar easement, or any other description which defines the three dimensional space, or the place and times of day in which an obstruction to direct sunlight is prohibited or limited;

(c) any terms or conditions under which the solar easement is granted or may be terminated;

(d) any provisions for compensation of the owner of the real property benefiting from the solar easement in the event of interference with the enjoyment of the solar easement, or compensation of the owner of the real property subject to the solar easement for maintaining the solar easement;

(e) any other provisions necessary or desirable to execute the instrument.

Subd. 4. A solar easement may be enforced by injunction or proceedings in equity or other civil action and shall entitle representatives of the holder to enter burdened land in a reasonable manner and at reasonable times to assure compliance.

Subd. 5. Any depreciation caused by any solar easement which is imposed upon designated property, but not any appreciation caused by any solar easement which benefits designated property, shall be included in the valuation of the property for property tax purposes.

Sec. 25. [GASOHOL RESEARCH.] *The legislative commission on Minnesota resources shall monitor federal activities related to research, development, and demonstration of the feasibility of producing alcohol fuel from agricultural products or wastes for blending with gasoline and shall provide appropriate support for the development of a proposal in this area by a Minnesota agency or group.*

Sec. 26. *Notwithstanding the provisions of section 16.851, the date by which the state building code must be enforced within all municipalities in the state is July 1, 1979.*

Sec. 27. Subdivision 1. *The agricultural experiment station at the university of Minnesota in consultation with the Minnesota energy agency shall carry out research and allocate funds to develop a methodology for biomass utilization to optimize economic, energy and environmental impact in the use of grain and residues for food, fuel and fertilizer. The research shall address the impact of residue removal on soils, optimal use of residue materials, and the preservation of the quality of Minnesota's soils. The agricultural experiment station shall provide a report of the results to the legislature in January, 1980, including recommendations for implementation. The report shall include charts and data and shall be provided to serve as a decision-making tool for farmers and landowners for both cropping and residue removal. The energy agency shall seek additional federal funding in order to develop a statewide field study of biomass removal and land management techniques and to determine the long-term effects of various biomass utilization options.*

Subd. 2. *The energy agency shall issue a request for proposal for the construction and operation of a small scale (approximately 20 to 50 gallons per day) pilot plant for the production of ethanol. The plant shall operate and produce ethanol from more than one resource, though not necessarily simultaneously. One of the resources must be agricultural, forest, or wetland residue such as but not limited to corn stalks, straw, cattails or timber slash. The pilot plant should be portable if possible. The plant shall operate for at least one and one-half years through at least one growing season and a report shall be provided to the Minnesota energy agency in October, 1979. A 25 percent match shall be required in the selected proposal. The department of biochemistry at the university of Minnesota shall provide instrumentation and monitor the processes. The department of mechanical engineering shall test the fuel in internal combustion engines and provide horsepower, fuel consumption and related data. Each organization shall provide a written report to the Minnesota energy agency which shall in turn assemble all information for the report to the legislature in January, 1980.*

Sec. 28. [APPROPRIATIONS.] Subdivision 1. *For the year ending June 30, 1979, the sum of \$18,000 is appropriated from the general fund to the department of administration for the purposes of section 4.*

Subd. 2. *The sum of \$80,000 of the funds appropriated pursuant*

to Laws 1976, Chapter 254, Section 16, Clause (e), shall be used for the purpose of studying and reporting to the legislature by January 15, 1979, on existing loan programs for the rehabilitation of low and moderate income rental housing for energy conservation purposes. In particular, the study shall focus on the financial impact of rehabilitation and energy conservation programs on tenants. The director shall also include in the report to the legislature his recommendations for additional legislation for energy conservation programs for low and moderate income rental housing, and for methods of protecting tenants from unreasonable costs as a result of such programs.

Subd. 3. The sum of \$ is appropriated from the general fund to the director of the energy agency for the purposes of section 12.

Subd. 4. For the purposes provided in section 26, the following sums are appropriated from the general fund:

\$10,000 to the director of the energy agency to administer and monitor the ethanol study and pilot project.

\$50,000 to the director of the energy agency for construction and operation of a pilot plant for the production of ethanol.

In addition, \$75,000 is appropriated from the general fund to the regents of the university of Minnesota to be expended in the following manner:

\$50,000 to the agricultural experiment station at the university of Minnesota, St. Paul, to administer and carry out research as provided in section 26.

\$18,000 to the department of biochemistry to instrument and monitor the pilot plant.

\$2,000 to the department of mechanical engineering for product testing for the pilot plant.

\$5,000 to the agricultural extension service at the university of Minnesota for publications for farmers and the general population on the research and pilot plant results.

The funds appropriated by this subdivision shall be available until expended.

Sec. 29. [EFFECTIVE DATE.] This act shall be effective the day after enactment, except that section 3, subdivision 7, shall be effective on October 1, 1979; section 5, subdivision 4, on July 1, 1983; Section 8, subdivision 2, on December 1, 1979.

Further, amend the title by striking it and inserting:

"A bill for an act relating to energy; changing the powers of the director of the Minnesota energy agency; providing for the confidentiality of proprietary data furnished to the energy agency; requiring a residential energy disclosure report at time of sale; creating a pilot project and research program on ethanol production from biomass; mandating certain energy efficiency standards for rental units; establishing insulation product and application

standards; providing for community energy conservation councils; providing for solar energy zoning and planning ordinances; requiring the metropolitan council to consider access to sunlight in its land use plans; permitting nuisance actions for certain obstructions to sunlight; providing requirements for solar easements; requiring monitoring of gasohol research; establishing a deadline for enforcing the state building code in municipalities; prescribing penalties; appropriating money; amending Minnesota Statutes 1976, Section 116H.08; 394.25, Subdivision 2; 394.27, Subdivision 7; 462.12; 462.357, Subdivisions 1 and 6; 462.358, Subdivisions 2 and 6; 462.39, Subdivision 3; 473.05, Subdivision 1; 473.859, Subdivision 2; 561.01; and Chapter 116H, by adding a section; Minnesota Statutes, 1977 Supplement, Section 116H.129, Subdivision 1, and by adding subdivisions.

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which were referred

H. F. Nos. 1808, 2020, 1833, 1873 for comparison with companion Senate Files, reports the following House Files were found identical and recommends the House Files be given their second reading and substituted for their companion Senate Files 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.
1808	1748				
2020	1915				
1833	1641				
1873	1660				

and that the above Senate Files be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which were referred

H. F. Nos. 1918, 2283 and 2221 for comparison with companion Senate Files, reports the following House Files were found not identical with their companion Senate Files 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.
1918	1581	2283	2045		
2221	2155				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1918 be amended as follows:

Strike everything after the enacting clause and insert

"Section 1. Minnesota Statutes, 1977 Supplement, Section 290.08, Subdivision 6, is amended to read:

Subd. 6. [PUBLIC OR PRIVATE PENSIONS OR RETIREMENT BENEFITS.] Notwithstanding the provisions of any other law to the contrary amounts, including interest, ~~not in excess of \$7,200~~ received by any person (i) from the United States, the Federal Reserve Bank or from the state of Minnesota or any of its political or governmental subdivisions or from any other state or its political or governmental subdivisions, or a Minnesota volunteer fireman's relief association, ~~either as a refund of contributions to, or by way of payment as a pension, public employee retirement benefit, or any combination thereof ; provided that the amount of exclusion provided for in this subdivision shall be reduced by , or~~ (ii) as a retirement benefit made from a plan qualifying under section 401, 404, 405, 408 or 409 of the Internal Revenue Code of 1954, as amended through December 31, 1977. This exclusion shall not exceed \$7,200 less social security and railroad retirement benefits plus any earned income as defined in section 37(e)(8)(b) of the Internal Revenue Code of 1954, as amended through December 31, 1976, which is received during the taxable year.

Sec. 2. [EFFECTIVE DATE.] *This act is effective for taxable years beginning after December 31, 1977.*"

Further, strike the title and insert:

"A bill for an act relating to taxation; clarifying the exclusion from gross income allowed for public pensions; amending Minnesota Statutes, 1977 Supplement, Section 290.08, Subdivision 6."

And when so amended H. F. No. 1918 will be identical to S. F. No. 1581, and further recommends that H. F. No. 1918 be given its second reading and substituted for S. F. No. 1581, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2221 be amended as follows:

Page 14, after line 6, insert:

"Sec. 59. *Minnesota Statutes, 1977 Supplement, Section 488.04, Subdivision 3a, is repealed.*

Sec. 60. In the next and subsequent editions of Minnesota Statutes, the revisor of statutes shall substitute "certified mail" for "registered mail" wherever the latter term appears, except when the purpose is to insure articles of monetary value."

Page 9 of the memorandum of explanation, after line 17, add:

"Sec. 59. *Explanation.* [COURTS; RENT DEPOSIT JURISDICTION.] All of Minnesota Statutes, Chapter 488, governing municipal courts was repealed by Laws 1977, Chapter 432. The earlier Laws 1977, Chapter 129, added this jurisdictional provision. The subject is now covered in the county and county municipal court laws.

Sec. 60. *Explanation.* [CERTIFIED AND REGISTERED MAIL.] Certified mail serves all the purposes of registered mail except insurance and it is simpler and cheaper."

Amend the title as follows:

Page 1, line 28, after "33.13;" insert "and 488.04, Subdivision 3a;"

Page 1, line 33, delete the semicolon after "7" and insert a period

And when so amended H. F. No. 2221 will be identical to S. F. No. 2155, and further recommends that H. F. No. 2221 be given its second reading and substituted for S. F. No. 2155, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2283 be amended as follows:

Page 4, after line 29, insert:

"Sec. 2. [EFFECTIVE DATE.] *This act is effective retroactive to July 6, 1977.*"

And when so amended H. F. No. 2283 will be identical to S. F. No. 2045, and further recommends that H. F. No. 2283 be given its second reading and substituted for S. F. No. 2045, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

SECOND READING OF SENATE BILLS

S. F. Nos. 1702 and 2183 were read the second time.

S. F. Nos. 1948, 2372, 2348, 2041, 2003, 1529, 1427, 1450, 1273, 2143, 1594, 2105, 1804, 2361, 1871, 2274, 1836 and 1861 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. Nos. 1834, 1808, 2020, 1833, 1873, 1918, 2221 and 2283 were read the second time.

H. F. No. 2243 was read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS

Mr. Anderson moved that the report from the Committee on Energy and Housing, reported March 2, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Anderson moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Anderson moved that in accordance with the report from the Committee on Energy and Housing, reported March 2, 1978, the Senate, having given its advice, do now consent to and confirm the appointment of:

MINNESOTA HOUSING FINANCE AGENCY

Mark Kaplan, 2824 Oakland Avenue, Minneapolis, Hennepin County, effective January 1, 1978, for a term expiring the first Monday in January, 1982.

The motion prevailed. So the appointment was confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Perpich moved that the report from the Committee on Health, Welfare and Corrections, reported March 4, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Perpich moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Perpich moved that in accordance with the report from the Committee on Health, Welfare and Corrections, reported March 4, 1978, the Senate, having given its advice, do now consent to and confirm the appointments of:

CRIME CONTROL PLANNING BOARD

CHAIRPERSON

Jacqueline O'Donoghue Reiss, 1783 Humboldt Avenue South, Minneapolis, Hennepin County, effective August 1, 1977, for a term expiring the first Monday in January, 1979.

CRIME CONTROL PLANNING BOARD

Cheryl Morrison, 2506 12th Avenue South, Minneapolis, Hennepin County, effective July 29, 1977, for a term expiring January 1, 1979.

Gerald Benjamin, 235 State Street, Jackson, Jackson County, effective January 1, 1978, for a term expiring the first Monday in January, 1982.

Jimmy H. Evans, 215 Oak Grove Street, Minneapolis, Hennepin County, effective January 1, 1978, for a term expiring the first Monday in January, 1982.

Frederick D. McDougall, Sr., 1014 21st Street, Bemidji, Bel-

trami County, has been appointed by me, effective January 1, 1978, for a term expiring the first Monday in January, 1982.

The motion prevailed. So the appointments were confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Purfeerst moved that S. F. No. 1758 be taken from the table. The motion prevailed.

S. F. No. 1758: A bill for an act relating to the department of transportation; permitting the commissioner of transportation to designate primary and alternate routes for the Great River Road; deleting the statutory route; removing duty of the commissioner to maintain the road; amending Minnesota Statutes 1976, Sections 161.142 and 161.148, Subdivisions 1, 2 and 3; repealing Minnesota Statutes 1976, Section 161.148, Subdivision 4.

CONCURRENCE AND REPASSAGE

Mr. Purfeerst moved that the Senate concur in the amendments by the House to S. F. No. 1758 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1758 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 50 and nays 3, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Knoll	Olhoff	Sikorski
Bang	Gearty	Knutson	Penny	Sillers
Benedict	Gunderson	Laufenburger	Perpich	Spear
Bernhagen	Hughes	Lewis	Peterson	Staples
Brataas	Jensen	Luther	Purfeerst	Stokowski
Chmielewski	Johnson	McCutcheon	Renneke	Strand
Coleman	Keefe, J.	Menning	Schmitz	Tennessee
Davies	Keefe, S.	Merriam	Schrom	Ueland, A.
Dunn	Kleinbaum	Nelson	Setzepfandt	Ulland, J.
Engler	Knaak	Nichols	Sieloff	Vega

Messrs. Lessard, Moe and Willet voted in the negative.

So the bill, as amended, was repassed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 2342 a Special Order to be heard immediately.

S. F. No. 2342: A bill for an act relating to Olmsted county; authorizing the board of county commissioners to finance an addition to and to renovate the Olmsted county hospital.

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:

Anderson	Frederick	Knutson	Olhoff	Sillers
Ashbach	Gearty	Laufenburger	Olson	Spear
Bang	Gunderson	Lessard	Penny	Staples
Benedict	Hanson	Lewis	Perpich	Stokowski
Bernhagen	Jensen	Luther	Peterson	Strand
Borden	Johnson	McCutcheon	Purfeerst	Tennessee
Brataas	Keefe, J.	Menning	Renneke	Ueland, A.
Chmielewski	Keefe, S.	Merriam	Schmitz	Ulland, J.
Coleman	Kirchner	Moe	Schrom	Vega
Davies	Kleinbaum	Nelson	Setzepfandt	Wegener
Dunn	Knaak	Nichols	Sieloff	Willet
Engler	Knoll	Ogdahl	Sikorski	

So the bill passed and its title was agreed to.

SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to take up the Senate Calendar and waive the lie over requirement. The motion prevailed.

THIRD READING OF SENATE BILLS

S. F. No. 1622: A bill for an act relating to game and fish; requiring a trout stamp; providing for disposition of the proceeds; appropriating funds; amending Minnesota Statutes 1976, Section 98.46, by adding a subdivision; Minnesota Statutes, 1977 Supplement, sections 97.432; 98.46, Subdivision 2a; and 98.50, Subdivision 5.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 37 and nays 22, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Luther	Renneke	Strand
Benedict	Hughes	Merriam	Schaaf	Tennessee
Borden	Keefe, S.	Nelson	Schrom	Ulland, J.
Coleman	Kirchner	Nichols	Setzepfandt	Vega
Davies	Knaak	Olson	Sieloff	Willet
Dunn	Knoll	Perpich	Spear	
Gearty	Laufenburger	Peterson	Staples	
Gunderson	Lewis	Purfeerst	Stokowski	

Those who voted in the negative were:

Ashbach	Engler	Kleinbaum	Olhoff	Ueland, A.
Bang	Frederick	Lessard	Penny	Wegener
Bernhagen	Jensen	Menning	Schmitz	
Brataas	Johnson	Moe	Sikorski	
Chmielewski	Keefe, J.	Ogdahl	Sillers	

So the bill passed and its title was agreed to.

S. F. No. 1206: A bill for an act relating to aircraft; clarifying compulsory insurance requirements; requiring maintenance of liability coverage only during periods of contemplated aircraft use or operation; amending Minnesota Statutes 1976, Section 360.59, Subdivision 10.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Laufenburger	Olson	Sillers
Ashbach	Gearty	Lessard	Penny	Solon
Bang	Gunderson	Lewis	Perpich	Spear
Benedict	Hanson	Luther	Peterson	Staples
Bernhagen	Hughes	McCutcheon	Purfeerst	Stokowski
Borden	Jensen	Menning	Renneke	Strand
Brataas	Johnson	Merriam	Schaaf	Tennessee
Chmielewski	Keefe, J.	Moe	Schmitz	Ueland, A.
Coleman	Kirchner	Nelson	Schrom	Ulland, J.
Davies	Kleinbaum	Nichols	Setzepfandt	Vega
Dunn	Knaak	Ogdahl	Sieloff	Wegener
Engler	Knutson	Olhoff	Sikorski	Willet

So the bill passed and its title was agreed to.

S. F. No. 1720: A bill for an act relating to game and fish; revising certain provisions regarding placement of blinds and decoys; amending Minnesota Statutes 1976, Section 100.29, Subdivision 18.

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 45 and nays 16, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Laufenburger	Penny	Solon
Bang	Hanson	Lewis	Perpich	Spear
Benedict	Hughes	McCutcheon	Renneke	Staples
Borden	Jensen	Menning	Schaaf	Stokowski
Brataas	Keefe, J.	Moe	Schmitz	Strand
Coleman	Kirchner	Nelson	Setzepfandt	Tennessee
Engler	Kleinbaum	Nichols	Sieloff	Vega
Frederick	Knaak	Olhoff	Sikorski	Wegener
Gearty	Knoll	Olson	Sillers	Willet

Those who voted in the negative were:

Anderson	Dunn	Knutson	Merriam	Purfeerst
Bernhagen	Johnson	Lessard	Ogdahl	Ueland, A.
Chenoweth	Keefe, S.	Luther	Peterson	Ulland, J.
Chmielewski				

So the bill passed and its title was agreed to.

S. F. No. 1630: A bill for an act relating to elections; providing certain safeguards against improper voter registration and cast-

ing of absentee ballots; revising forms and procedures for administering absentee ballot laws; prescribing certain powers and duties of and granting temporary rulemaking power to the secretary of state; eliminating civil service appointment of election judges in first class cities; prescribing penalties; amending Minnesota Statutes 1976, Sections 201.121; 201.15; 201.27; 204A.14, Subdivision 2; 207.04; 207.06; 207.08; 207.09; 207.30, Subdivisions 2, 3, 4, 5 and 6; Chapters 201, by adding a section; and 207, by adding a section; Minnesota Statutes, 1977 Supplement, Sections 201.061, Subdivision 3; 201.071, Subdivision 4; 204A.13, Subdivisions 2 and 6; 204A.17, Subdivision 1; 204A.175; 207.02; 207.03; 207.05, Subdivision 1; 207.10; 207.11; and 207.31; repealing Minnesota Statutes 1976, Sections 204A.17, Subdivision 2; 207.101; 207.12; 207.13; and 207.30, 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 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Penny	Spear
Ashbach	Gearty	Laufenburger	Perpich	Staples
Bang	Gunderson	Lewis	Peterson	Stokowski
Benedict	Hanson	Luther	Purfeerst	Strand
Bernhagen	Hughes	McCutcheon	Renneke	Tennessee
Borden	Jensen	Menning	Schaaf	Ueland, A.
Brataas	Johnson	Merriam	Schmitz	Ulland, J.
Chenoweth	Keefe, J.	Moe	Schrom	Vega
Chmielewski	Keefe, S.	Nelson	Setzepfandt	Wegener
Coleman	Kirchner	Nichols	Sieloff	Willet
Davies	Kleinbaum	Ogdahl	Sikorski	
Dunn	Knaak	Olhoff	Sillers	
Engler	Knoll	Olson	Solon	

So the bill passed and its title was agreed to.

S. F. No. 318: A bill for an act relating to criminal procedure; permitting peace officers to make arrests upon probable cause in cases of domestic assault; requiring detention and review of bail for persons charged with domestic assault; permitting the judge to stay execution and imposition of sentence conditioned upon the defendant seeking appropriate counseling; amending Minnesota Statutes 1976, Section 609.135, by adding a subdivision; and Chapter 629, by adding sections.

With the unanimous consent of the Senate, Mr. McCutcheon moved to amend S. F. No. 318 as follows:

Page 3, line 20, strike "or" and insert "and"

The motion prevailed. So the amendment was adopted.

S. F. No. 318 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Perpich	Staples
Ashbach	Gearty	Laufenburger	Peterson	Stokowski
Bang	Gunderson	Lewis	Purfeerst	Strand
Benedict	Hanson	Luther	Renneke	Tennessee
Bernhagen	Hughes	McCutcheon	Schaaf	Ueland, A.
Borden	Jensen	Menning	Schmitz	Ulland, J.
Brataas	Johnson	Merriam	Schrom	Vega
Chenoweth	Keefe, J.	Moe	Setzepfandt	Wegener
Chmielewski	Keefe, S.	Nelson	Sieloff	Willet
Coleman	Kirchner	Ogdahl	Sikorski	
Davies	Kleinbaum	Olhoff	Sillers	
Dunn	Knaak	Olson	Solon	
Engler	Knoll	Penny	Spear	

So the bill, as amended, passed and its title was agreed to.

S. F. No. 1137: A bill for an act relating to chiropractic; further defining the practice of chiropractic; amending Minnesota Statutes 1976, Section 148.01, Subdivision 3.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 38 and nays 25, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Knutson	Olhoff	Stokowski
Benedict	Gunderson	Laufenburger	Peterson	Strand
Bernhagen	Hanson	Luther	Purfeerst	Stumpf
Borden	Jensen	McCutcheon	Renneke	Vega
Chenoweth	Johnson	Merriam	Schaaf	Wegener
Chmielewski	Keefe, S.	Moe	Sikorski	Willet
Coleman	Kirchner	Nelson	Sillers	
Engler	Kleinbaum	Nichols	Solon	

Those who voted in the negative were:

Ashbach	Dunn	Lewis	Perpich	Spear
Bang	Frederick	Menning	Schmitz	Staples
Brataas	Hughes	Ogdahl	Schrom	Tennessee
Davies	Keefe, J.	Olson	Setzepfandt	Ueland, A.
Dieterich	Knaak	Penny	Sieloff	Ulland, J.

So the bill passed and its title was agreed to.

S. F. No. 1752: A bill for an act relating to nursing homes; authorizing sharing of administrators between certain hospitals and nursing homes; amending Minnesota Statutes 1976, Section 144A.04, Subdivision 5.

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:

Anderson	Engler	Knoll	Olson	Spear
Ashbach	Frederick	Knutson	Penny	Staples
Bang	Gearty	Laufenburger	Perpich	Stokowski
Benedict	Gunderson	Lewis	Peterson	Strand
Bernhagen	Hanson	Luther	Purfeerst	Stumpf
Borden	Hughes	McCutcheon	Renneke	Tennessee
Brataas	Jensen	Menning	Schaaf	Ueland, A.
Chenoweth	Johnson	Merriam	Schmitz	Ulland, J.
Chmielewski	Keefe, J.	Moe	Schrom	Vega
Coleman	Keefe, S.	Nelson	Setzpfandt	Wegener
Davies	Kirchner	Nichols	Sieloff	Willet
Dieterich	Kleinbaum	Ogdahl	Sikorski	
Dunn	Knaak	Olhoft	Solon	

So the bill passed and its title was agreed to.

S. F. No. 1664: A bill for an act relating to state waters; establishing certain priorities for use of water in processing agricultural products; amending Minnesota Statutes, 1977 Supplement, Section 105.41, Subdivision 1a.

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:

Anderson	Engler	Knutson	Penny	Spear
Ashbach	Frederick	Laufenburger	Perpich	Staples
Bang	Gearty	Lewis	Peterson	Stokowski
Benedict	Gunderson	Luther	Purfeerst	Strand
Bernhagen	Hanson	McCutcheon	Renneke	Stumpf
Borden	Hughes	Menning	Schaaf	Tennessee
Brataas	Jensen	Merriam	Schmitz	Ueland, A.
Chenoweth	Johnson	Moe	Schrom	Ulland, J.
Chmielewski	Keefe, J.	Nelson	Setzpfandt	Vega
Coleman	Kirchner	Nichols	Sieloff	Wegener
Davies	Kleinbaum	Ogdahl	Sikorski	Willet
Dieterich	Knaak	Olhoft	Sillers	
Dunn	Knoll	Olson	Solon	

So the bill passed and its title was agreed to.

S. F. No. 1891: A bill for an act relating to taxation; property tax; exempting certain cities containing utility plants from per capita levy limitations; amending Minnesota Statutes 1976, Section 275.11, 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 63 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knutson	Penny	Spear
Ashbach	Frederick	Laufenburger	Perpich	Staples
Bang	Gearty	Lewis	Peterson	Stokowski
Benedict	Gunderson	Luther	Purfeerst	Strand
Bernhagen	Hanson	McCutcheon	Renneke	Stumpf
Borden	Hughes	Menning	Schaaf	Tennessee
Brataas	Jensen	Merriam	Schmitz	Ueland, A.
Chenoweth	Johnson	Moe	Schrom	Ulland, J.
Chmielewski	Keefe, J.	Nelson	Setzepfandt	Vega
Coleman	Kirchner	Nichols	Sieloff	Wegener
Davies	Kleinbaum	Ogdahl	Sikorski	Willet
Dieterich	Knaak	Olhoff	Sillers	
Dunn	Knoll	Olson	Solon	

So the bill passed and its title was agreed to.

S. F. No. 1704: A bill for an act relating to the city of Minneapolis and the housing and redevelopment authority in and for the city of Minneapolis; establishing a program setting aside a portion of services and materials for small businesses.

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:

Anderson	Engler	Knutson	Penny	Spear
Ashbach	Frederick	Laufenburger	Perpich	Staples
Bang	Gearty	Lewis	Peterson	Stokowski
Benedict	Gunderson	Luther	Purfeerst	Strand
Bernhagen	Hanson	McCutcheon	Renneke	Stumpf
Borden	Hughes	Menning	Schaaf	Tennessee
Brataas	Jensen	Merriam	Schmitz	Ueland, A.
Chenoweth	Johnson	Moe	Schrom	Ulland, J.
Chmielewski	Keefe, J.	Nelson	Setzepfandt	Vega
Coleman	Kirchner	Nichols	Sieloff	Wegener
Davies	Kleinbaum	Ogdahl	Sikorski	Willet
Dieterich	Knaak	Olhoff	Sillers	
Dunn	Knoll	Olson	Solon	

So the bill passed and its title was agreed to.

S. F. No. 1495: A bill for an act relating to municipal obligations; revising provisions relating to advance refunding; amending Minnesota Statutes 1976, Section 475.67.

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 3, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Engler	Jensen	Knaak
Ashbach	Chenoweth	Frederick	Johnson	Knoll
Bang	Chmielewski	Gearty	Keefe, J.	Knutson
Benedict	Coleman	Gunderson	Keefe, S.	Laufenburger
Bernhagen	Dieterich	Hanson	Kirchner	Lewis
Borden	Dunn	Hughes	Kleinbaum	Luther

McCutcheon	Olson	Schmitz	Spear	Vega
Menning	Penny	Schrom	Staples	Wegener
Moe	Perpich	Setzpfandt	Stokowski	Willet
Nelson	Peterson	Sieloff	Strand	
Nichols	Purfeerst	Sikorski	Stumpf	
Ogdahl	Renneke	Sillers	Ueland, A.	
Olhoft	Schaaf	Solon	Ulland, J.	

Messrs. Davies, Merriam and Tennesen voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 1830: A bill for an act relating to corporations; modifying certain filing fees for domestic corporations; providing a uniform fee for filing instruments with the secretary of state; amending Minnesota Statutes 1976, Sections 300.49, Subdivision 1; and 301.071, Subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knutson	Penny	Spear
Ashbach	Frederick	Laufenburger	Perpich	Staples
Bang	Gearty	Lewis	Peterson	Stokowski
Benedict	Gunderson	Luther	Purfeerst	Strand
Bernhagen	Hanson	McCutcheon	Renneke	Stumpf
Borden	Hughes	Menning	Schaaf	Tennesen
Brataas	Jensen	Merriam	Schmitz	Ueland, A.
Chenoweth	Johnson	Moe	Schrom	Ulland, J.
Chmielewski	Keefe, J.	Nelson	Setzpfandt	Vega
Coleman	Keefe, S.	Nichols	Sieloff	Wegener
Davies	Kirchner	Ogdahl	Sikorski	Willet
Dieterich	Kleinbaum	Olhoft	Sillers	
Dunn	Knaak	Olson	Solon	

So the bill passed and its title was agreed to.

S. F. No. 1943: A bill for an act relating to forests; regulating the maintenance of fires therein; amending Minnesota Statutes 1976, Sections 88.01, by adding a subdivision; 88.10; 88.16; 88.17; 88.22; 88.73; 88.75, Subdivision 1; 88.76; 88.77; and 88.78.

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:

Anderson	Coleman	Hughes	Knoll	Nelson
Ashbach	Davies	Humphrey	Knutson	Nichols
Bang	Dieterich	Jensen	Laufenburger	Ogdahl
Benedict	Dunn	Johnson	Lewis	Olhoft
Bernhagen	Engler	Keefe, J.	Luther	Olson
Borden	Frederick	Keefe, S.	McCutcheon	Penny
Brataas	Gearty	Kirchner	Menning	Perpich
Chenoweth	Gunderson	Kleinbaum	Merriam	Peterson
Chmielewski	Hanson	Knaak	Moe	Purfeerst

Renneke	Setzpfandt	Solon	Strand	Ulland, J.
Schaaf	Sieloff	Spear	Stumpf	Vega
Schmitz	Sikorski	Staples	Tennessee	Wegener
Schrom	Sillers	Stokowski	Ueland, A.	Willet

So the bill passed and its title was agreed to.

S. F. No. 1690: A bill for an act relating to the Minneapolis-Saint Paul metropolitan airports commission; providing a maximum amount and funding terms for commission debt; amending Minnesota Statutes 1976, Section 473.667, Subdivisions 2 and 4, 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 63 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knoll	Olson	Solon
Ashbach	Gearty	Knutson	Penny	Spear
Bang	Gunderson	Laufenburger	Perpich	Staples
Benedict	Hanson	Lewis	Peterson	Stokowski
Bernhagen	Hughes	Luther	Purfeerst	Strand
Borden	Humphrey	McCutcheon	Renneke	Stumpf
Brataas	Jensen	Menning	Schaaf	Tennessee
Chenoweth	Johnson	Merriam	Schmitz	Ueland, A.
Chmielewski	Keefe, J.	Moe	Schrom	Ulland, J.
Coleman	Keefe, S.	Nelson	Setzpfandt	Vega
Dieterich	Kirchner	Nichols	Sieloff	Willet
Dunn	Kleinbaum	Ogdahl	Sikorski	
Engler	Knaak	Olhoft	Sillers	

Mr. Davies voted in the negative.

So the bill passed and its title was agreed to.

THIRD READING OF HOUSE BILLS

H. F. No. 1323: A bill for an act relating to education; higher education coordinating board; making certain public post-secondary educational institutions located in another state or country subject to registration; providing certain restrictions on the use of records provided in connection with registration; granting approval for the use of certain names by certain schools; providing exemption from registration by certain schools; amending Minnesota Statutes 1976, Sections 136A.31; 136A.62, Subdivision 3; 136A.63; 136A.64 and 136A.65; and Chapter 136A, by adding sections.

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:

Anderson	Gearty	Knutson	Perpich	Staples
Ashbach	Gunderson	Laufenburger	Peterson	Stokowski
Bang	Hanson	Lewis	Purfeerst	Strand
Benedict	Hughes	Luther	Renneke	Stumpf
Bernhagen	Humphrey	McCutcheon	Schaaf	Tennessee
Borden	Jensen	Menning	Schmitz	Ueland, A.
Brataas	Johnson	Merriam	Schrom	Ulland, J.
Chenoweth	Keefe, J.	Moe	Setzepfandt	Vega
Chmielewski	Keefe, S.	Nelson	Sieloff	Wegener
Davies	Kirchner	Ogdahl	Sikorski	Willet
Dunn	Kleinbaum	Olhoft	Sillers	
Engler	Knaak	Olson	Solon	
Frederick	Knoll	Penny	Spear	

So the bill passed and its title was agreed to.

H. F. No. 1103: A bill for an act relating to the operation of state government; centralizing the management and review of all state contracts in the office of the commissioner of administration; distinguishing consultant, professional and technical contracts; amending Minnesota Statutes 1976, Section 15.061; and Chapter 16, by adding a section; repealing Minnesota Statutes 1976, Sections 16.10; and 161.35.

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:

Anderson	Gearty	Laufenburger	Perpich	Stokowski
Ashbach	Gunderson	Lewis	Peterson	Strand
Bang	Hanson	Luther	Purfeerst	Stumpf
Benedict	Hughes	McCutcheon	Renneke	Tennessee
Bernhagen	Jensen	Menning	Schaaf	Ueland, A.
Brataas	Johnson	Merriam	Schmitz	Ulland, J.
Chenoweth	Keefe, J.	Moe	Setzepfandt	Vega
Chmielewski	Keefe, S.	Nelson	Sieloff	Wegener
Davies	Kirchner	Nichols	Sikorski	Willet
Dieterich	Kleinbaum	Ogdahl	Sillers	
Dunn	Knaak	Olhoft	Solon	
Engler	Knoll	Olson	Spear	
Frederick	Knutson	Penny	Staples	

So the bill passed and its title was agreed to.

H. F. No. 1857: A bill for an act relating to veterans; requiring all counties to appoint a veterans service officer; amending Minnesota Statutes 1976, Section 197.60, 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 57 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Luther	Peterson	Stokowski
Ashbach	Gearty	McCutcheon	Purfeerst	Strand
Bang	Hanson	Menning	Renneke	Stumpf
Benedict	Hughes	Merriam	Schaaf	Tennessee
Bernhagen	Johnson	Moe	Schmitz	Ueland, A.
Chenoweth	Keefe, S.	Nelson	Schrom	Ulland, J.
Chmielewski	Kirchner	Nichols	Setzepfandt	Vega
Coleman	Kleinbaum	Ogdahl	Sieloff	Wegener
Davies	Knaak	Olhoft	Sikorski	Willet
Dieterich	Knoll	Olson	Sillers	
Dunn	Knutson	Penny	Solon	
Engler	Laufenburger	Perpich	Spear	

Mrs. Brataas, Mr. Lewis and Mrs. Staples voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 1728: A bill for an act relating to employments licensed by the state; architects, engineers and landscape architects; requiring knowledge of barrier free design to acquire license; amending Minnesota Statutes 1976, Section 326.10, 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 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Perpich	Staples
Ashbach	Gearty	Laufenburger	Peterson	Stokowski
Bang	Gunderson	Luther	Purfeerst	Strand
Benedict	Hanson	McCutcheon	Renneke	Stumpf
Bernhagen	Hughes	Menning	Schaaf	Tennessee
Brataas	Jensen	Merriam	Schmitz	Ueland, A.
Chenoweth	Johnson	Moe	Schrom	Ulland, J.
Chmielewski	Keefe, J.	Nelson	Setzepfandt	Vega
Coleman	Keefe, S.	Nichols	Sieloff	Wegener
Davies	Kirchner	Ogdahl	Sikorski	Willet
Dieterich	Kleinbaum	Olhoft	Sillers	
Dunn	Knaak	Olson	Solon	
Engler	Knoll	Penny	Spear	

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. Coleman moved to take up the Consent Calendar. The motion prevailed.

CONSENT CALENDAR

S. F. No. 1951: A bill for an act relating to marriage; providing that the clerk of court may solemnize marriages; amending Minnesota Statutes 1976, Section 517.04.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 4, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Laufenburger	Penny	Staples
Ashbach	Hughes	Lewis	Perpich	Stokowski
Bang	Humphrey	Luther	Peterson	Strand
Benedict	Johnson	McCutcheon	Renneke	Stumpf
Bernhagen	Keefe, J.	Menning	Schaaf	Tennessee
Brataas	Keefe, S.	Merriam	Setzepfandt	Ueland, A.
Coleman	Kirchner	Nelson	Sieloff	Ulland, J.
Davies	Kleinbaum	Nichols	Sikorski	Vega
Dunn	Knaak	Ogdahl	Sillers	Wegener
Engler	Knoll	Olhoft	Solon	Willet
Frederick	Knutson	Olson	Spear	

Messrs. Chmielewski, Dieterich, Gearty and Purfeerst voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 1936: A bill for an act relating to Independent School District No. 272 (Eden Prairie) and Independent School District No. 273 (Edina); providing for the transfer of territory from Independent School District No. 272 to Independent School District No. 273.

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:

Anderson	Frederick	Knoll	Olson	Staples
Ashbach	Gearty	Knutson	Penny	Stokowski
Bang	Gunderson	Laufenburger	Perpich	Strand
Benedict	Hanson	Lewis	Peterson	Stumpf
Bernhagen	Hughes	Luther	Purfeerst	Tennessee
Brataas	Humphrey	McCutcheon	Renneke	Ueland, A.
Chenoweth	Jensen	Menning	Schaaf	Ulland, J.
Chmielewski	Johnson	Merriam	Setzepfandt	Vega
Coleman	Keefe, J.	Moe	Sieloff	Wegener
Davies	Keefe, S.	Nelson	Sikorski	Willet
Dieterich	Kirchner	Nichols	Sillers	
Dunn	Kleinbaum	Ogdahl	Solon	
Engler	Knaak	Olhoft	Spear	

So the bill passed and its title was agreed to.

H. F. No. 2312: A bill for an act relating to Independent School District No. 272 (Eden Prairie) and Independent School District No. 271 (Bloomington); providing for the transfer of territory from Independent School District No. 272 to Independent School District No. 271.

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:

Anderson	Frederick	Knoll	Olson	Spear
Ashbach	Gearty	Knutson	Penny	Staples
Bang	Gunderson	Laufenburger	Perpich	Stokowski
Benedict	Hanson	Lewis	Peterson	Strand
Bernhagen	Hughes	Luther	Purfeerst	Stumpf
Brataas	Humphrey	McCutcheon	Renneke	Tennessee
Chenoweth	Jensen	Menning	Schaaf	Ueland, A.
Chmielewski	Johnson	Merriam	Schmitz	Ulland, J.
Coleman	Keefe, J.	Moe	Setzepfandt	Vega
Davies	Keefe, S.	Nelson	Sieloff	Wegener
Dieterich	Kirchner	Nichols	Sikorski	Willet
Dunn	Kleinbaum	Ogdahl	Sillers	
Engler	Knaak	Olhoff	Solon	

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. Coleman moved to take up the General Orders Calendar. The motion prevailed.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Gearty in the chair.

After some time spent therein, the committee arose, and Mr. Gearty reported that the committee had considered the following:

S. F. No. 1 which the committee reports progress, subject to the following motions:

Mr. Luther moved to amend S. F. No. 1, as follows:

Strike everything after the enacting clause and insert:

“Section 1. [116.451] [DEFINITIONS.] Subdivision 1. For purposes of sections 1 to 5, the terms defined in this section have the meanings given them.

Subd. 2. “Beverage container” means an individual, hermetically sealed glass, metal or plastic bottle, can, jar or carton used for the purpose of containing beer, ale, or other malt drink containing one half of one percent or more of alcohol by volume; or mineral waters, soda waters or any other carbonated soft drink in liquid form and intended for human consumption.

Subd. 3. “Bottler” means a person bottling, canning or otherwise filling a beverage container for sale to a distributor or dealer in this state.

Subd. 4. “Dealer” means a person who sells a filled beverage container at retail in this state.

Subd. 5. “Distributor” means a person, including but not limited

to a bottler, who sells filled beverage containers to a dealer in this state.

Subd. 6. "Local redemption center" means a commercial establishment, including a dealer, licensed by a county board pursuant to section 2 where any person may return empty beverage containers having a refund value displayed thereon pursuant to section 5.

Subd. 7. "Nonrefillable beverage container" means a beverage container which is not suitable for refilling because of its construction or the raw materials used in its production or because of any information stated on the beverage container.

Subd. 8. "Refillable beverage container" means a beverage container, other than a nonrefillable beverage container.

Sec. 2. [116.452] [COUNTY COMPREHENSIVE SOLID WASTE PLAN.] Before March 1, 1979, each county located within the metropolitan area, as defined in section 473.121, subdivision 2, shall complete a solid and hazardous waste policy plan required in section 473.803, and each county located outside the metropolitan area shall complete and adopt a comprehensive solid waste management plan which identifies the source, supply, collection, transportation, storage, disposal treatment and recycling of solid waste as defined in section 116.06, subdivision 10. Each county plan shall identify all existing facilities which perform these activities and specifically state the need, capacity and location of new facilities, including local redemption centers to be licensed pursuant to section 3.

Sec. 3. [116.453] [LOCAL REDEMPTION CENTERS.] Subdivision 1. [APPLICATION FOR APPROVAL.] Any person may file with the county board an application for a license to operate a local redemption center. The application shall state the name and address of the person responsible for the establishment and operation of the center, the kinds, sizes and brand names of beverage containers which the center intends to accept and the names and addresses of dealers proposed to be served and their distances from the local redemption center. The application shall also specify all other types of solid waste the proposed center intends to accept.

Subd. 2. [APPROVAL.] The county board may approve an application for a license to operate a local redemption center if it finds that the proposed center will provide a convenient and necessary service for the return of empty beverage containers and is consistent with the county's comprehensive solid waste management plan.

If the county board approves a license to operate a local redemption center, it may exempt any dealer that is not a local redemption center from the requirement of accepting and paying the refund value of empty nonrefillable beverage containers of the kind, size and brand sold by the dealer, and the county board may prohibit any dealer who has received prior notice and who is not a local redemption center from accepting and paying a refund for empty nonrefillable beverage containers.

The county board shall mail notice to any dealer it so exempts or prohibits. The license to operate a local redemption center shall state the dealers to be served and the kinds, sizes and brand names of empty beverage containers which the center shall accept. The license shall also state the specific other types of solid waste which the center must accept and any other conditions deemed appropriate by the county board.

If the county board grants a license to operate a local redemption center to any dealer, it shall approve the license application of any other dealer submitted subsequently pursuant to subdivision 1 if the proposed center will provide a convenient and necessary service for the return of empty containers and is consistent with the county's comprehensive solid waste management plan.

Subd. 3. [POSTED LISTS.] A local recycling center shall prominently display on its premises a list of the dealers served, the kinds, sizes and brand names of empty beverage containers which it must accept, and the other specific types of solid waste which it must accept. A dealer prohibited by the county board pursuant to subdivision 2 from accepting and paying a refund for empty nonrefillable beverage containers shall prominently display on its premises the name and location of all local redemption centers licensed to serve the area.

Subd. 4. [WITHDRAWAL OF APPROVAL.] The county board may review at any time any license to operate a local redemption center. After written notice to the person responsible for the establishment and operation of the local redemption center and to the dealers served by the center, the county board may, after hearing, revoke the license of a local redemption center if it finds there has not been compliance with the license or if the local redemption center no longer provides a convenient and necessary service to the public.

Sec. 4. [116.454] [REFUNDS.] Subdivision 1. [REFUND VALUE.] After September 1, 1979, a filled beverage container sold or offered for retail sale in this state shall have a refund value of not less than five cents. The price to purchase a filled nonrefillable beverage container at retail in this state after September 1, 1979, shall include two cents per filled nonrefillable beverage container purchased plus the refund value displayed thereon pursuant to section 5.

Subd. 2. [REFUND PAYMENT REQUIRED.] Except as provided in subdivision 3, after September 1, 1979:

(a) A dealer shall accept an empty, unbroken and reasonably clean refillable beverage container of the kind, size and brand sold by the dealer, and shall pay to the person returning the beverage container at least the refund value displayed thereon pursuant to section 5.

(b) A dealer whom the county board did not specifically exempt from doing so pursuant to subdivision 2 shall accept an empty non-refillable beverage container of the kind, size and brand sold by the dealer, and shall pay to the person returning the beverage container

at least the refund value displayed thereon pursuant to section 5. A dealer whom the county board did specifically exempt, but did not specifically prohibit, from doing so pursuant to subdivision 2 may accept an empty nonrefillable beverage container of the kind, size and brand sold by the dealer and may pay to the person returning the beverage container at least the refund value displayed thereon pursuant to section 5.

(c) A local redemption center shall accept an empty nonrefillable beverage container of the kind, size and brand specified in its license and shall pay to the person returning the nonrefillable beverage container at least the refund value displayed thereon pursuant to section 5. A center may accept a previously used empty refillable beverage container and shall pay at least the refund value displayed thereon pursuant to section 5.

(d) A distributor or bottler or a designee of a distributor or bottler shall accept from a dealer or local redemption center an empty refillable beverage container of the kind, size and brand sold by the distributor or bottler, and shall pay the dealer or local redemption center the refund value displayed thereon pursuant to section 5. A distributor or his designee shall pick up any empty refillable beverage container of the kind, size and brand sold by the distributor from a dealer at least once per week, unless the distributor and the dealer mutually agree to the contrary in writing.

Subd. 3. [EXCEPTIONS.] A dealer or a local redemption center may refuse to accept an empty beverage container that does not visibly display a refund value as required by section 5. A distributor, bottler or designee may refuse to accept from a dealer or local redemption center an empty refillable beverage container that does not visibly display a refund value as required by section 5.

Subd. 4. After September 1, 1979, before the last day of each month, each dealer in the state shall complete a report on a form supplied by the commissioner of revenue specifying the total amount of refund values collected for the sale of nonrefillable beverage containers during the reporting period and forward the report and the total amount of the refund values collected plus two cents per nonrefillable beverage container sold to the auditor of the county where the dealer's establishment is located.

Subd. 5. The county auditor shall pay each local redemption center and each dealer not prohibited from accepting nonrefillable beverage containers pursuant to subdivision 2 at least an amount equal to two cents plus the refund value specified thereon for each empty nonrefillable beverage container returned at the center or dealer. Based upon estimates of the number of returned empty nonrefillable beverage containers submitted by each local redemption center and each such dealer located in the county, the county auditor shall direct monthly advance payments to be made from the funds collected pursuant to subdivision 4 to each local redemption center and each such dealer commencing September 1, 1979. The county auditor shall direct adjustment of any overestimate in a succeeding month based upon the monthly report submitted by each local redemption center and each such dealer of the num-

ber of empty nonrefillable beverage containers returned to that center or dealer.

Subd. 6. After September 1, 1979, each county auditor shall file an annual report prior to March 1 to the commissioner of revenue on a form supplied by him specifying the total amount of money collected by the county pursuant to subdivision 4 and the reimbursable amount determined by multiplying the number of empty nonrefillable beverage containers returned at each local redemption center and each dealer in the county during the previous calendar year by seven cents. Any county which collected an amount pursuant to subdivision 4 greater than the reimbursable amount determined pursuant to this subdivision during the previous calendar year shall forward the surplus to the commissioner of revenue who shall distribute the surpluses among those counties which have a reimbursable amount determined pursuant to this subdivision greater than they collected pursuant to subdivision 4, on a basis proportional to that deficit.

After the commissioner has made this distribution, if in each county the amount collected pursuant to subdivision 4 plus the amount of distribution from the commissioner pursuant to this subdivision equals the reimbursable amount determined pursuant to this subdivision, then the commissioner shall distribute any remaining surplus among all counties on a basis proportional to their respective reimbursable amount.

Sec. 5. [116.455] [CONTAINER DESIGN.] After September 1, 1979, a beverage container sold or offered for sale in this state by a bottler, dealer or distributor shall clearly indicate by embossing, by a stamp, by a label or other permanent method of display, the name of this state and the refund value of the container.

Sec. 6. [116.456] [PENALTY.] A violation of section 4 or 5 is a misdemeanor. Each day of violation is a separate offense."

Amend the title by striking it in its entirety and inserting:

"A bill for an act relating to solid waste pollution; requiring each county to adopt a comprehensive solid waste management plan; authorizing counties to license redemption centers; requiring minimum refund value on beverage containers after a certain date; providing penalties."

The motion prevailed. So the amendment was adopted.

Mr. Borden moved to amend S. F. No. 1 as follows:

Strike everything after the enacting clause and insert:

"Section 1. [BEVERAGE CONTAINERS; LICENSING.] *Subdivision 1. As used in this section, the following terms have the meanings specified:*

(a) "Retailer" has the meaning given that term in section 297A.01, subdivision 10.

(b) "Beer" means and includes intoxicating and non-intoxicating malt liquor, as defined in chapter 340.

(c) "Non-refillable container" means an individual hermetically sealed, glass, metal or plastic bottle, can or jar which is neither capable of being refilled at least five times for retail sale or is not refilled at least five times for retail sale during the ordinary course of business.

(d) "Refillable container" means any container other than a non-refillable container.

Subd. 2. No retailer shall sell or offer for sale and consumption upon the premises of the retailer any beer or carbonated soft drink dispensed from non-refillable containers unless he obtains a license to do so. Licenses shall be obtained from the department of revenue upon payment of an annual fee of \$150, which fee shall be due and payable by August 1 of each year for the fiscal year beginning July 1. License fees shall be deposited in the general fund.

Subd. 3. No retailer shall sell or offer for sale beer or carbonated soft drinks for off-premises consumption in non-refillable containers unless the retailer also sells or offers for sale beer or carbonated soft drinks in refillable containers. Compliance with this subdivision may be established by the sale or offering for sale of refillable containers of beer or carbonated soft drinks of at least one brand and size in quantities sufficient to meet ordinary consumer demand.

Subd. 4. No retailer shall sell or offer for sale beer or carbonated soft drinks in non-refillable containers in less than case lots unless the retailer also sells or offers for sale beer or carbonated soft drinks in refillable containers in less than case lots.

Subd. 5. A retailer who sells or offers for sale beer or carbonated soft drinks for off-premises consumption, either in individual containers or in groups of containers as a packaged unit, shall display prominently on his premises the refund value of the empty beverage container, if any, and the retail price, excluding the refund value, of the filled beverage container.

Subd. 6. No person shall sell or offer for sale beer or carbonated soft drinks in non-refillable containers on any property owned by the state of Minnesota or the university of Minnesota.

Subd. 7. Subdivisions 3 to 5 of this section shall not apply to retail sales of beer or carbonated soft drinks made through vending machines.

Subd. 8. Any person who violates any provision of this section is guilty of a misdemeanor.

Sec. 2. [REGIONAL RECYCLING CENTERS; ESTABLISHMENT.] Subdivision 1. Prior to July 1, 1979, the Minnesota pollution control agency shall establish a regional solid waste recycling center in each development region pursuant to the Regional Development Act of 1969.

Subd. 2. The agency may contract with any person for the operation of a regional solid waste recycling center. The location for a regional center shall be selected by the agency upon recom-

mendation of the appropriate regional development commission, after consideration of factors of geography, population, transportation, availability of technical knowledge and equipment, and other relevant factors as determined by the agency.

Sec. 3. [REGIONAL RECYCLING PROGRAM.] Subdivision 1. Each regional recycling center shall purchase metal and glass containers, paper, and other materials determined by the pollution control agency to be suitable for recycling, except an abandoned motor vehicle, as defined by section 168B.02, or a household appliance. The price paid for materials to be recycled shall be set by the agency at an amount sufficient to stimulate recycling of such materials within the state, and shall be revised periodically to reflect market conditions. In addition, the agency may pay all or a portion of the cost of transporting materials to the center and the center's cost of processing, as defined by section 30 of this act.

Subd. 2. The regional recycling center, with the assistance of and after consultation with the agency, shall contract for the sale and disposition of recycled materials through commercial channels at the most favorable price obtainable. The agency shall pay transportation expenses to the point of delivery.

Subd. 3. Any funds received by the agency from a regional recycling center pursuant to a contract authorized by section 2 of this act shall be deposited in the general fund of the state treasury. The agency shall promulgate rules pursuant to chapter 15 necessary for the establishment and operation of regional recycling centers.

Sec. 4. [DEFINITIONS.] Subdivision 1. For the purposes of sections 4 to 15, the terms defined in this section have the meanings given, unless the context clearly indicates otherwise.

Subd. 2. "Commissioner" means the commissioner of transportation.

Subd. 3. "Department" means the department of transportation.

Subd. 4. "Litter" means any waste material including, but not limited to, glass, bottles, nails, tacks, wire, cans, garbage, swill, paper, animal carcasses, offal, trash, or rubbish.

Subd. 5. "Litter bag" means a bag or container with a capacity of at least one quart, but not more than eight quarts, intended for the temporary storage of litter.

Subd. 6. "Motorboat" has the meaning specified in section 361.02, subdivision 8.

Subd. 7. "Peace officer" has the meaning specified in section 626.84.

Subd. 8. "Person" means any individual, corporation, partnership, or association.

Subd. 9. "Public place" means any area that is used or held out for use by the public, whether owned or operated by public or private interests.

Subd. 10. "Vehicle" means a motor vehicle licensed as required by section 169.79, excluding motorcycles and snowmobiles.

Sec. 5. [LITTERING PROHIBITED.] Subdivision 1. No person shall throw, place, dump, discard, or otherwise deposit, nor cause to be thrown, placed, dumped, discarded, or otherwise deposited, any litter in any public place or on any public street, highway, land, water or the ice thereon, except with the permission of or in the manner prescribed by the governing body having jurisdiction over the public place.

Subd. 2. No person shall throw, place, dump, discard, or otherwise deposit, nor cause to be thrown, placed, dumped, discarded or otherwise deposited, any litter upon any privately owned land or the water or ice thereon, except with the permission of and in a lawful manner prescribed by the owner thereof.

Subd. 3. Any person removing a wrecked or damaged vehicle from a highway shall remove any glass or other injurious substance dropped upon the highway right-of-way from the vehicle.

Subd. 4. No person shall drop or hurl any destructive or injurious material or object at or upon any motor vehicle or the occupants thereof within any highway right-of-way.

Sec. 6. [LITTER BAGS REQUIRED.] No person shall operate a vehicle or a motorboat unless it contains a litter bag.

Sec. 7. [LITTER RECEPTACLES IN PUBLIC PLACES.] Every person owning or operating any public place in which litter receptacles are required by rule of the commissioner shall obtain and place receptacles at his own expense on the premises in accordance with rules adopted by the commissioner. The owner or operator may limit the litter placed in litter receptacles to that quantity and composition which is normally contained in a litter bag.

Sec. 8. [LITTER BAGS; DESIGN AND DISTRIBUTION.] The department shall develop a state anti-litter symbol at a cost of less than \$1,000. The department shall make available litter bags and other promotional material bearing the state anti-litter symbol. The department shall provide these litter bags to the public at no charge at rest areas, field offices, or other appropriate locations. Litter bags may be distributed by the department of public safety to the owners of vehicles at the time of license issuance. The department of natural resources may make litter bags available to motorboat owners at the licensing locations and other appropriate locations.

Sec. 9. [PENALTIES.] Subdivision 1. Any person who violates the provisions of section 5 is guilty of a misdemeanor. Upon conviction of any person for a violation of section 5, subdivision 1 or 2, the court may stay the imposition or execution of sentence and may, as a condition of probation, order the violator to work under the supervision of an employee of the department of transportation or department of natural resources for not more than eight hours in a litter removal or landscape beautification project.

Subd. 2. Any person who fails to provide litter receptacles as required by section 7 is guilty of a petty misdemeanor.

Subd. 3. Any person who violates section 6 may be fined not more than \$10.

Sec. 10. [ENFORCEMENT.] *All peace officers shall enforce the provisions of sections 4 to 9, and may issue citations to and arrest persons violating any provision of sections 4 to 9. Any person may file a complaint in regard to a violation or any provision of sections 4 to 9 with the appropriate law enforcement agency. A peace officer may serve and execute all warrants, citations, and other processes issued by courts in the enforcement of sections 4 to 9. Mailing by certified mail of a warrant, citation, or other process to the last known place of residence of the person charged shall be deemed personal service.*

Sec. 11. [FINES; DISPOSITION.] *Any political subdivision which collects a fine or bail forfeiture for a violation of any provision of sections 4 to 9 shall forward one-half of any amount collected to the state treasurer for deposit in the general fund.*

Sec. 12. [RULES.] *The commissioner shall promulgate rules required to carry out the provisions of sections 4 to 15, including, but not limited to, standards for the distribution and location of litter receptacles in public places as required by section 7.*

Sec. 13. [LITTER CONTROL PROGRAMS; PUBLIC EDUCATION; FUNDING.] *The commissioner shall coordinate programs involving public and private agencies for the purposes of research, development, and public education concerning litter and solid waste. The commissioner shall actively encourage the cooperation and support of labor, industry, and persons in organizations interested in litter and solid waste, and shall inform the public of the purpose and contents of sections 4 to 15 and the penalties for violations thereof. The commissioner shall contract with the Minnesota environmental education board to carry out the public education provisions assigned to him hereunder. The commissioner shall be the agent of the state for receipt of public or private funds made available for purposes consistent with sections 4 to 15.*

Sec. 14. [AUTHORITY TO MAKE GRANTS.] *The commissioner may make grants available in furtherance of the purposes of sections 4 to 15 to persons or organizations he deems appropriate and qualified.*

Sec. 15. [LITTER COLLECTION ANALYSIS.] *By November 30 of each year, the department shall conduct an analysis of collections of litter which are discarded in violation of anti-litter laws. The analysis shall include litter collected throughout the state, including standard metropolitan statistical areas, rural areas, and recreational areas. Where possible, the department shall make use of local litter and trash collection services through arrangements with local governmental agencies to facilitate the analysis. Contracts with civic and youth organizations may also be utilized where deemed practicable. By November 30, 1979, and annually thereafter, the department shall report to the governor and the*

legislature on the amount of litter collected pursuant to this section and shall include in its report an analysis by item, weight, volume and, where practicable, the biodegradable characteristics of the various types of products, packages, wrappings, and containers which compose significant amounts of the litter collected.

Sec. 16. [LITTER LICENSE FEE; AMOUNT; COLLECTION; APPROPRIATION.] Subdivision 1. [DEFINITIONS.] For the purposes of this section, the terms defined in this subdivision have the meanings given, unless the context clearly indicates otherwise.

(a) "Importer" means any person who initially imports into this state for subsequent sale, use, or consumption products manufactured outside this state.

(b) "Manufacturer" means any person in Minnesota who performs or provides the last act, function, or process in the manufacture, formulation, fabrication, or conversion of any product for sale, use, or consumption in this state.

Subd. 2. There is hereby levied and imposed upon every person in the state engaged in business as a manufacturer or importer of products listed in subdivision 3 or 4 whose gross sales of such products exceed \$100,000 in any calendar year an annual litter fee on annual gross sales in excess of \$100,000 of such products within the state of Minnesota. In computing gross sales for purposes of the litter fee, all sales exempted from the general sales and use tax by section 297A.25, subdivision 1, clause (d), shall be disregarded. The annual litter fee shall be .025 percent of annual gross sales of products listed in subdivision 3 and .05 percent of annual gross sales of products listed in subdivision 4. A manufacturer or importer whose gross sales include products listed in subdivision 3 or 4 may designate which sales are to be included in the first \$100,000 of gross sales which are exempt from the litter fee. The fee shall be due and payable annually on or before July 25 of each year based upon sales during the preceding calendar year, except that the litter fee for 1978 shall be due and payable on January 1, 1979, based upon sales during the 1977 calendar year. The fee shall be administered and collected by the department of revenue in the same manner as the sales and use tax imposed by chapter 297A. Receipts from the litter fee shall be deposited in the general fund.

Subd. 3. The .025 percent litter fee imposed by this section shall be levied upon sales in the following product categories:

- (a) Cigarettes and tobacco products;
- (b) Take-out and fast foods;
- (c) Candy, chewing gum, and other confections;
- (d) Snack foods, including nuts and chips;
- (e) Paper and other fiber containers;
- (f) Auto and truck tires and mufflers;
- (g) Toiletries, non-drugstore sundry items;
- (h) Pet food; and

(i) Flexible packaging used to package or wrap consumer goods.

Subd. 4. The .05 percent fee imposed by this section shall be levied upon sales in the following product categories:

- (a) Soft drinks and carbonated beverages;
- (b) Still fruit drinks and other noncarbonated beverages, mixes, and powders, excepting natural fruit in either concentrated or single strength state;
- (c) Alcoholic beverages;
- (d) Newspapers and magazines;
- (e) Glass containers;
- (f) Metal containers of less than 55 gallons capacity;
- (g) Plastic containers; and
- (h) Container crowns and closures.

Subd. 5. In no event shall the litter fee imposed by subdivision 3 exceed \$4,000 for any person and in no event shall the litter fee imposed by subdivisions 3 and 4 exceed \$8,000 for any person.

Subd. 6. The commissioner of revenue shall adopt rules pursuant to chapter 15 to administer and collect the litter fee imposed by this section and the license fee required by section 1, subdivision 2, of this act.

Sec. 17. Minnesota Statutes 1976, Section 116E.03, Subdivision 7, is amended to read:

Subd. 7. [EMPLOYMENT OF STAFF.] The state board and the regional councils may employ such the administrative and clerical staff as may be necessary to carry out the functions of the state board and regional councils as described in sections 116E.01 to 116E.04 ; including, but not limited to, an executive director to represent and manage the affairs of the state board, and/or regional councils, as the case may be . All employees except the executive director, who were hired after July 1, 1976, shall be in the classified service of the state. In addition, the state board and regional councils may employ and fix the compensation of such any experts and consultants as may be necessary to carry out their functions under sections 116E.01 to 116E.04.

Sec. 18. Minnesota Statutes 1976, Section 116E.03, Subdivision 7a, is amended to read:

Subd. 7a. [EXECUTIVE DIRECTOR.] The executive director of the state board shall be experienced in the administration of environment-related programs. All employees serving the board shall be in the classified civil service of the state. This subdivision shall not apply to board employees serving on July 1, 1976. He shall be appointed by the governor, with the consent of the senate, for a four-year term, which shall coincide with the term of the governor, and shall serve until his successor is duly appointed and

qualifies. The governor may remove the director at any time at his pleasure. A vacancy in the office of executive director shall be filled by the governor, with the consent of the senate, for the unexpired term.

Sec. 19. Minnesota Statutes 1976, Section 116E.03, Subdivision 8, is amended to read:

Subd. 8. [CONTRACTS.] The chief administrative officer executive director of the state board may contract with persons, firms, corporations, organizations, units of government or institutions of higher learning for doing any of the work of his office, and none of the provisions of chapter 16, relating to bids, shall apply to such contracts. The regional councils may contract with the regional development commissions designated by the governor pursuant to Minnesota Statutes 1971, section 462.385, to accomplish the purposes of sections 116E.01 to 116E.04. All personnel employed and all contracts entered into pursuant to this subdivision shall be subject to the approval of the state board. Agreements to exercise delegated powers shall be by written order filed with the secretary of state.

Sec. 20. Minnesota Statutes 1976, Section 116F.02, Subdivision 5, is amended to read:

Subd. 5. "Region" means any county, group of counties, group of municipalities, any special district, or any designated agency thereof has the meaning specified in section 462.384, subdivision 5.

Sec. 21. Minnesota Statutes 1976, Section 116F.02, is amended by adding a subdivision to read:

Subd. 8. "Subregion" means any county, group of counties, group of municipalities, any special district except a region, or any designated agency thereof.

Sec. 22. Minnesota Statutes 1976, Section 116F.03, is amended to read:

116F.03 [STATE AID TO REGIONS, MUNICIPALITIES, INSTITUTIONS.] The agency may, in the name of the state and within the limit of appropriations provided herein, make or contract to make grants-in-aid to any region, subregion, municipality, or institution for:

(1) The development of feasibility studies for resource recovery systems or facilities;

(2) The construction of a resource recovery facility or implementation of a resource recovery system; and

(3) The development of programs to encourage solid materials conservation and the reduction of environmental impact from solid waste, including but not limited to, public education and encouragement of market demand for reusable or recyclable materials; and

(4) The preparation of any regional solid waste comprehensive plan required by section 32 of this act.

Sec. 23. Minnesota Statutes 1976, Section 116F.04, Subdivision 1, is amended to read:

116F.04 [RULES.] Subdivision 1. The agency shall promulgate rules for the administration of grants authorized in section 116F.03. The rules shall establish and contain as a minimum:

(a) Procedures for grant applications by regions, *subregions*, municipalities, or institutions;

(b) Conditions and procedures for the administration of such grants;

(c) Criteria of eligibility for grants including, but not limited to, those specified in subdivision 2; and

(d) Such other matters as the agency may find necessary to the proper administration of the grant program.

Sec. 24. Minnesota Statutes 1976, Section 116F.05, Subdivision 2, is amended to read:

Subd. 2. [POWERS OF GRANTEEES.] A region, *subregion*, municipality, or institution may apply to and contract with the agency for state aid, but may expend aid moneys received from the agency pursuant to 116F.01 to 116F.08 only for purposes which are consistent with sections 116F.01 to 116F.06.

Sec. 25. Minnesota Statutes 1976, Section 116F.06, Subdivision 3, is amended to read:

Subd. 3. The agency shall adopt and may amend or rescind ~~guidelines~~ *rules* identifying the types of new or revised containers and packaging that are subject to its review after notice and hearing as provided in section 15.0412, subdivision 4. Any person may submit to the agency a sample of a package or container for agency review. The agency shall review the sample, and may require the person to furnish such additional samples and information as may be necessary for it to determine the environmental or solid waste disposal problems that the container or packaging would cause. Except as may be necessary in connection with any public hearing, the agency shall keep the samples and information confidential if the person submitting them certifies that disclosure of said samples and information would affect the competitive position of the person. If the agency fails to issue an order prohibiting sale of a package or container within 120 days after the sample was submitted, the agency shall not prohibit it thereafter. The agency may, however, for good cause, order the 120 day period to be extended for an additional period not to exceed 30 days.

Sec. 26. Minnesota Statutes 1976, Section 174.02, Subdivision 2, is amended to read:

Subd. 2. [UNCLASSIFIED POSITIONS.] The commissioner may establish four positions in the unclassified service at the deputy and assistant commissioner, assistant to commissioner or personal secretary levels. No more than two of these positions shall be at the deputy commissioner level. *The commissioner shall*

delegate his responsibilities and duties specified in sections 4 to 15 to one of the persons in the unclassified service.

Sec. 27. Minnesota Statutes 1976, Section 462.384, is amended by adding a subdivision to read:

Subd. 8. "Solid waste" means garbage, refuse, and other discarded solid materials, including solid waste materials and waste sludges resulting from industrial, commercial, and agricultural operations and from community activities, but does not include hazardous waste, animal waste used as a fertilizer, earthen fill, boulders, broken rock, solids or dissolved material in domestic sewage, or other significant pollutants in water resources, such as silt, dissolved or suspended solids in industrial waste water effluents, dissolved materials in irrigation return flows, or other common water pollutants. Nothing in this subdivision shall be construed to exclude hazardous waste from the definition of solid waste for the purposes of chapter 116 or 116F.

Sec. 28. Minnesota Statutes 1976, Section 462.384, is amended by adding a subdivision to read:

Subd. 9. "Waste facility" means all property, real or personal, including negative and positive easements and water and air rights, which is or may be needed or useful for the processing of solid waste, except property for the collection of the waste and facilities used primarily for the manufacture of scrap metal or paper. "Waste facility" includes but is not limited to transfer stations, disposal sites and facilities, and resource recovery sites and facilities.

Sec. 29. Minnesota Statutes 1976, Section 462.384, is amended by adding a subdivision to read:

Subd. 10. "Collection" when referring to solid waste means the aggregation of solid waste from the place at which it is generated and includes all activities up to the time the waste is delivered to a waste facility.

Sec. 30. Minnesota Statutes 1976, Section 462.384, is amended by adding a subdivision to read:

Subd. 11. "Processing" when referring to solid waste means the treatment of solid waste after collection, and includes all activities after the time the waste is delivered to a waste facility. Processing includes but is not limited to disposal, storage, containment, separation, exchange, resource recovery, physical or chemical modification, and transfer from one waste facility to another.

Sec. 31. Minnesota Statutes 1976, Section 462.384, is amended by adding a subdivision to read:

Subd. 12. "Resource recovery" means the reclamation for sale or reuse of materials, substances, energy, or other products contained within or derived from solid waste.

Sec. 32. Minnesota Statutes 1976, Section 462.39, is amended by adding a subdivision to read:

Subd. 5. [SOLID WASTE COMPREHENSIVE PLAN.] By July 1, 1979, each commission shall prepare and by resolution adopt, after appropriate study and public hearings as may be necessary, a solid waste comprehensive plan for the region. The plan shall substantially conform to the policy statements, goals, standards, programs, and maps in the comprehensive development plan for the region.

The plan shall describe solid waste activities, functions, and facilities; the existing system of solid waste generation, collection, and processing within the region; existing and proposed county and municipal ordinances and license and permit requirements relating to waste facilities and solid waste generation, collection, and processing; existing or proposed municipal, county, or private waste facilities and collection services within the region, together with schedules of existing rates and charges to users and statements as to the extent to which such facilities and services will or may be used to implement the plan; and any solid waste facility which a county within the region owns or plans to acquire, construct, or improve, together with statements as to the planned method, estimated cost, and time of acquisition, proposed procedures for operation and maintenance of each facility; an estimate of the annual cost of operation and maintenance of each facility; an estimate of the annual gross revenues which will be received from the operation of each facility; and a proposal for the use of each facility after it is no longer needed or usable as a waste facility. The plan shall, to the extent practicable, encourage ownership and operation of solid waste facilities by private industry. For waste facilities owned or operated by public agencies or supported primarily by public funds or obligations, the master plan shall contain policies to ensure financial self-sufficiency based upon competitive rates and charges.

In preparing the solid waste plan, the commission shall use to the maximum extent feasible the resources, studies, and data available from other planning agencies within the region, including counties, municipalities, special districts, and subregional planning agencies, and it shall utilize the resources of the state planning agency to the same purpose. No solid waste plan or portion thereof for the region shall be adopted by the commission until it has been submitted to the pollution control agency for review and comment and a period of 60 days has elapsed after the submission. When a solid waste plan has been adopted, the commission shall distribute it to all local government units within the region.

Sec. 33. Minnesota Statutes 1976, Section 462.39, is amended by adding a subdivision to read:

Subd. 6. [DISCLOSURE.] For the purposes of chapters 116 and 116F and section 32 of this act, each owner or operator of a collection service or waste facility annually shall make the following information available to the agency and the appropriate commission: a schedule of rates and charges in effect or proposed for a collection service or the processing of waste delivered to a waste facility and a description, in aggregate amounts indicating the general character of the solid waste collection and processing system, of the types

and the quantity by types of waste generated, collected, or processed. The commission and agency shall act in accordance with the provisions of section 116.075, subdivision 2, with respect to information for which confidentiality is claimed.

Sec. 34. [APPROPRIATION.] Subdivision 1. There is appropriated from the general fund to the commissioner of transportation the following amounts for the purposes stated for the fiscal year commencing July 1, 1978:

(a) For contracting with the Minnesota environmental education board for public education pursuant to section 13:

\$350,000;

(b) For other expenses involved in implementation and administration of litter control pursuant to this act:

\$700,000.

Subd. 2. There is appropriated from the general fund to the Minnesota pollution control agency the following amounts for the stated purposes for the fiscal year commencing July 1, 1978:

(a) For the establishment and operation of regional recycling centers pursuant to sections 2 and 3:

\$800,000;

(b) For grants for preparation of regional solid waste comprehensive plans pursuant to section 22:

\$300,000.

Subd. 3. There is appropriated from the general fund to the commissioner of revenue the sum of \$15,000 for the administration and collection of the litter license fee imposed by section 16 and the license fee required by section 1, subdivision 2.

Sec. 35. [REPEALER.] Minnesota Statutes 1976, Sections 85.20, Subdivision 6; 169.42; and 609.68 are repealed.

Sec. 36. [EFFECTIVE DATE.] This act is effective July 1, 1978."

Amend the title by striking it in its entirety and inserting:

"A bill for an act relating to solid waste pollution; requiring licensing of retailers selling certain beverages and prohibiting certain retail practices; requiring the establishment of regional recycling centers and programs; prohibiting littering; requiring litter bags and receptacles in vehicles and public places; imposing a litter license fee upon certain manufacturers and importers; changing procedures for the appointment of the director of the environmental education board; requiring regional solid waste plans; providing penalties; appropriating funds; amending Minnesota Statutes 1976, Sections 116E.03, Subdivisions 7, 7a, and 8; 116F.02, Subdivision 5, and by adding a subdivision; 116F.03; 116F.04, Subdivision 1; 116F.05, Subdivision 2; 116F.06, Subdivision 3; 174.02, Subdivision 2; 462.384, by adding subdivisions; and 462.39, by adding subdivisions; repealing Minnesota Statutes 1976, Sections 85.20, Subdivision 6; 169.42; and 609.68."

Mr. Purfeerst moved that S. F. No. 1 be re-referred to the Committee on Agriculture and Natural Resources.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 7 and nays 50, as follows:

Those who voted in the affirmative were:

Engler Jensen	Purfeerst Solon	Stokowski	Ueland, A.	Wegener
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Those who voted in the negative were:

Anderson	Dunn	Kirchner	Merriam	Sikorski
Bang	Frederick	Kleinbaum	Moe	Sillers
Benedict	Gearty	Knaak	Nelson	Spear
Bernhagen	Gunderson	Knoll	Olhoft	Staples
Borden	Hanson	Knutson	Penny	Strand
Chenoweth	Hughes	Laufenburger	Perpich	Stumpf
Chmielewski	Humphrey	Lessard	Renneke	Tennessee
Coleman	Johnson	Luther	Schaaf	Ulland, J.
Davies	Keefe, J.	McCutcheon	Setzepfandt	Vega
Dieterich	Keefe, S.	Menning	Sieloff	Willet

The motion did not prevail.

Mr. Ulland, J. moved to amend the Borden amendment to S. F. No. 1 as follows:

Page 1, strike line 4 of the Borden amendment and insert "Page 8, after section 6 of the Luther amendment, insert"

Page 19, after line 20, insert "Renumber the sections in sequence and correct the internal cross references"

Further, amend the title as follows:

Page 19, line 25, after the semicolon, insert "requiring each county to adopt a comprehensive solid waste management plan; authorizing counties to license redemption centers; requiring minimum refund values on beverage containers after a certain date;"

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:

Bang	Keefe, J.	Merriam	Setzepfandt	Willet
Benedict	Keefe, S.	Olhoft	Sikorski	
Coleman	Knoll	Penny	Spear	
Davies	Luther	Perpich	Strand	
Dieterich	Menning	Peterson	Ulland, J.	

Those who voted in the negative were:

Anderson	Frederick	Kleinbaum	Ogdahl	Solon
Ashbach	Gearty	Knaak	Olson	Stokowski
Bernhagen	Gunderson	Knutson	Purfeerst	Stumpf
Borden	Hanson	Laufenburger	Renneke	Tennessee
Chenoweth	Hughes	Lessard	Schmitz	Ueland, A.
Chmielewski	Humphrey	McCutcheon	Schrom	Vega
Dunn	Johnson	Moe	Sieloff	Wegener
Engler	Kirchner	Nelson	Sillers	

The motion did not prevail. So the amendment was not adopted.

The question recurred on the Borden amendment.

Mr. Olson moved to amend the Borden amendment to S. F. No. 1, as follows:

Page 11 of the Borden amendment, after line 2, insert:

"Sec. 17. [LITTER CONTROL; STATE AID TO COUNTIES.] *On or before July 15 of each year the commissioner of revenue shall distribute to each county government in the state an amount equal to 50 cents per capita for each person residing in that county according to the latest federal or state census. The funds distributed pursuant to this subdivision shall be used for litter clean-up or control programs involving young people, volunteers and nonprofit organizations in the county, to the maximum extent practicable. The commissioner of revenue shall make the calculations required by this subdivision and the amount certified by the commissioner of revenue to be necessary for such distribution is hereby annually appropriated from the general fund to the commissioner of revenue for that purpose.*"

Page 18, line 29, strike "section 13" and insert "sections 13 and 17"

Renumber the sections in sequence and correct internal references

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 28 and nays 33, as follows:

Those who voted in the affirmative were:

Bernhagen	Jensen	Nelson	Renneke	Solon
Chmielewski	Keefe, S.	Olson	Schmitz	Ueland, A.
Dieterich	Kleinbaum	Penny	Schrom	Wegener
Engler	Luther	Perpich	Setzepfandt	Willet
Frederick	Menning	Peterson	Sikorski	
Gunderson	Merriam	Purfeerst	Sillers	

Those who voted in the negative were:

Ashbach	Dunn	Knoll	Ogdahl	Strand
Bang	Gearty	Knutson	Olhoft	Stumpf
Benedict	Hanson	Laufenburger	Schaaf	Tennessee
Borden	Humphrey	Lessard	Sieloff	Ulland, J.
Chenoweth	Johnson	Lewis	Spear	Vega
Coleman	Kirchner	McCutcheon	Staples	
Davies	Knaak	Moe	Stokowski	

The motion did not prevail. So the amendment was not adopted.

Mr. Dunn moved to amend the Borden amendment to S. F. No. 1 as follows:

Page 3, line 31, strike "30" and insert "32"

Page 11, after line 2, insert

"Sec. 17. [STUDY.] *The commissioner of agriculture shall in-*

investigate the environmental and economic impact of the prohibitions contained in Minnesota Statutes, 1977 Supplement, Sections 116F.21 and 116F.22, and shall report his findings to the agriculture and natural resources committee of the senate and the agriculture committee of the house on or before January 15, 1979."

Page 13, line 15, strike "32" and insert "34"

Page 14, after line 27, insert

"Sec. 27. Minnesota Statutes, 1977 Supplement, Section 116F.22, Subdivision 1, is amended to read:

116F.22 [PROHIBITIONS; PENALTY.] Subdivision 1. *After June 30, 1980, no person shall sell at retail or offer for sale at retail in this state any milk or fluid milk product as defined in section 32.391, other than sour cream, cottage cheese and yogurt, in a nonreturnable, nonrefillable rigid or semi-rigid container at least 50 percent of which is plastic."*

Page 18, line 11, strike "32" and insert "34"

Page 19, line 10, strike "22" and insert "23"

Page 19, line 18, after "609.68" insert "*and Laws 1977, Chapter 455, Section 96,*"

Page 19, line 19, before "*This*" insert "*Section 17 of this act is effective the day following final enactment. Sections 1 to 16 and 18 to 38 of*"

Page 19, line 19, strike "*is*" and insert "*are*"

Renumber the sections in sequence

Further, amend the title as follows:

Page 19, line 29, after "programs;" insert "*delaying imposition of certain restrictions on dairy products packaging; requiring a study of the environmental and economic consequences of packaging restrictions;*"

Page 20, line 4, before "repealing" insert "*Minnesota Statutes, 1977 Supplement, Section 116F.22, Subdivision 1;*"

Page 20, line 5, after "609.68" insert "*;* and Laws 1977, Chapter 455, Section 96"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 32 and nays 31, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Peterson	Sillers
Ashbach	Gunderson	Lessard	Purfeerst	Strand
Bang	Hanson	Nichols	Renneke	Ueland, A.
Bernhagen	Jensen	Ogdahl	Schmitz	Wegener
Chmielewski	Keefe, J.	Olhoff	Schrom	
Dunn	Kirchner	Olson	Setzepfandt	
Engler	Knaak	Perpich	Sieloff	

Those who voted in the negative were:

Benedict	Humphrey	Luther	Schaaf	Ulland, J.
Borden	Johnson	McCutcheon	Solon	Vega
Chenoweth	Keefe, S.	Menning	Spear	Willet
Coleman	Kleinbaum	Merriam	Staples	
Davies	Knoll	Moe	Stokowski	
Dieterich	Laufenburger	Nelson	Tennessee	
Gearty	Lewis	Penny	Stumpf	

The motion prevailed. So the amendment was adopted.

The question recurred on the Borden amendment, as amended.

The question was taken on the adoption of the Borden amendment, as amended.

The roll was called, and there were yeas 34 and nays 30, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Kleinbaum	Nelson	Solon
Bang	Gearty	Knaak	Ogdahl	Stokowski
Bernhagen	Gunderson	Knutson	Purfeerst	Stumpf
Borden	Humphrey	Laufenburger	Renneke	Ueland, A.
Chenoweth	Jensen	Lessard	Schaaf	Vega
Chmielewski	Johnson	McCutcheon	Schmitz	Wegener
Engler	Kirchner	Moe	Sillers	

Those who voted in the negative were:

Anderson	Hanson	Menning	Perpich	Spear
Benedict	Keefe, J.	Merriam	Peterson	Staples
Coleman	Keefe, S.	Nichols	Schrom	Strand
Davies	Knoll	Olhoff	Setzpfandt	Tennessee
Dieterich	Lewis	Olson	Sieloff	Ulland, J.
Dunn	Luther	Penny	Sikorski	Willet

The motion prevailed. So the Borden amendment, as amended, was adopted.

Mr. Luther moved to amend S. F. No. 1 as follows:

Strike everything after the enacting clause and insert:

“Section 1. [BEVERAGE CONTAINERS.] *Subdivision 1. As used in this section, the following terms have the meanings specified:*

(a) “Retailer” has the meaning given that term in section 297A.01, subdivision 10.

(b) “Beer” means and includes intoxicating and non-intoxicating malt liquor, as defined in chapter 340.

(c) “Non-refillable container” means an individual, hermetically sealed, glass, metal or plastic bottle, can or jar which is neither capable of being refilled at least five times for retail sale nor is refilled at least five times for retail sale during the ordinary course of business.

(d) “Refillable container” means any container other than a non-refillable container.

Subd. 2. No retailer shall sell or offer for sale and consumption upon the premises of the retailer any beer or carbonated soft drink dispensed from non-refillable containers.

Subd. 3. A retailer who sells or offers for sale beer or carbonated soft drinks for off-premises consumption shall devote an amount of shelf space and display area of each size and brand of beverage in refillable containers at least equal to the amount of shelf space and display area of each size and brand of beverage in non-refillable containers.

Subd. 4. A retailer who sells or offers for sale beer or carbonated soft drinks for off-premises consumption either in individual containers or in groups of containers as a packaged unit, shall display prominently on his premises the refund value of the empty beverage container, if any, and the retail price, excluding the refund value, of the filled beverage container.

Subd. 5. No person shall sell or offer for sale beer or carbonated soft drinks in non-refillable containers on any property owned or leased by the university of Minnesota, any community college, any state university, any public post-secondary vocational-technical school, any school district, any town, any statutory city, any home rule charter city, any county, or the state of Minnesota, including its departments, agencies, and other political subdivisions.

Subd. 6. No person, firm, or corporation shall sell at retail or offer for retail sale within this state any carbonated soft drinks contained or packaged in a rigid or semi-rigid container at least 50 percent of which is in whole or in part plastic.

Subd. 7. Any person who violates any provision of this section is guilty of a misdemeanor. Each sale or offering in violation of this section shall be deemed a separate offense.

Sec. 2. Section 1 of this act is effective July 1, 1978."

Amend the title by striking it in its entirety and inserting:

"A bill for an act relating to solid waste pollution; prohibiting certain retail practices; providing penalties."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 25 and nays 36, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Merriam	Penny	Staples
Benedict	Humphrey	Moe	Perpich	Strand
Chenoweth	Knoll	Nelson	Schaaf	Stumpf
Coleman	Lewis	Olhoft	Sikorski	Ulland, J.
Dieterich	Luther	Olson	Spear	Willet

Those who voted in the negative were:

Ashbach	Engler	Hughes	Knaak	Menning
Bang	Frederick	Jensen	Knutson	Nichols
Bernhagen	Gearty	Johnson	Laufenburger	Ogdahl
Borden	Gunderson	Kirchner	Lessard	Peterson
Davies	Hanson	Kleinbaum	McCutcheon	Purfearerst

Renneke Schmitz Schrom	Setzepfandt Sieloff	Sillers Solon	Tennessee Ueland, A.	Vega Wegener
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The motion did not prevail. So the amendment was not adopted.

Mr. Penny moved to amend the Borden amendment to S. F. No. 1, adopted by the Senate March 6, 1978, as follows:

Strike sections 2 to 35

Amend the title by striking it in its entirety and inserting:

“A bill for an act relating to solid waste pollution; prohibiting certain retail practices; providing penalties.”

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 31 and nays 32, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Olhoft	Setzepfandt	Ulland, J.
Benedict	Hughes	Olson	Sieloff	Wegener
Bernhagen	Lewis	Penny	Sikorski	Willet
Chmielewski	Luther	Perpich	Spear	
Coleman	Menning	Purfeerst	Staples	
Davies	Merriam	Renneke	Strand	
Dieterich	Nichols	Schrom	Tennessee	

Those who voted in the negative were:

Ashbach	Gunderson	Knaak	Nelson	Stokowski
Bang	Hanson	Knoll	Ogdahl	Stumpf
Borden	Humphrey	Knutson	Peterson	Ueland, A.
Chenoweth	Jensen	Laufenburger	Schaaf	Vega
Dunn	Johnson	Lessard	Schmitz	
Engler	Kirchner	McCutcheon	Sillers	
Gearty	Kleinbaum	Moe	Solon	

The motion did not prevail. So the amendment was not adopted.

S. F. No. 1 was then progressed.

On motion of Mr. Coleman, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

RECESS

Mr. Coleman moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

APPOINTMENTS

Mr. Coleman from the Subcommittee on Committees recommends that the following Senators be and they hereby are appointed as a Conference Committee on:

S. F. No. 804: Messrs. Davies, Bernhagen, and Gearty.

H. F. No. 85: Messrs. Luther, Schaaf, and Keefe, J.

Mr. Coleman moved that the foregoing appointments be approved. The motion prevailed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Wegener moved that S. F. No. 2311 be withdrawn from the Committee on Local Government and re-referred to the Committee on Judiciary. The motion prevailed.

Mr. Ulland, J. moved that his name be stricken as co-author to S. F. No. 1720. The motion prevailed.

Mrs. Staples moved that the name of Mr. Tennessen be added as chief author and her name be changed to co-author to S. F. No. 2373. The motion prevailed.

MEMBERS EXCUSED

Mr. Keefe, J. was excused from the Session of today at 2:30 o'clock p.m.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 11:45 o'clock a.m., Tuesday, March 7, 1978. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

EIGHTY-FIFTH DAY

St. Paul, Minnesota, Tuesday, March 7, 1978

The Senate met at 11:45 o'clock a.m. and was called to order by the President.

CALL OF THE SENATE

Mr. Chenoweth imposed a call of the Senate. The following Senators answered to their names:

Anderson	Gearly	McCutcheon	Purfeerst	Strand
Benedict	Hughes	Menning	Schaaf	Stumpf
Borden	Humphrey	Merriam	Schmitz	Tennessee
Chenoweth	Keefe, S.	Moe	Schrom	Ueland, A.
Chmielewski	Kleinbaum	Nelson	Setzpfandt	Vega
Davies	Knoll	Ogdahl	Sikorski	Wegener
Dunn	Lessard	Olhoff	Spear	Willet
Engler	Luther	Penny	Staples	

The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Dave Schneider.

The roll was called, and the following Senators answered to their names:

Anderson	Frederick	Laufenburger	Penny	Solon
Ashbach	Gearly	Lessard	Perpich	Spear
Bang	Gunderson	Luther	Peterson	Staples
Benedict	Hughes	McCutcheon	Purfeerst	Stokowski
Bernhagen	Humphrey	Menning	Renneke	Strand
Borden	Jensen	Merriam	Schaaf	Stumpf
Chenoweth	Johnson	Moe	Schmitz	Tennessee
Chmielewski	Keefe, S.	Nelson	Schrom	Ueland, A.
Davies	Kleinbaum	Nichols	Setzpfandt	Ulland, J.
Dieterich	Knaak	Ogdahl	Sieloff	Vega
Dunn	Knoll	Olhoff	Sikorski	Wegener
Engler	Knutson	Olson	Sillers	Willet

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Mr. Bang introduced—

S. F. No. 2389: A bill for an act relating to public employee labor relations; establishing a demonstration project for school district labor contracts.

Referred to the Committee on Education.

Mr. Vega introduced—

S. F. No. 2390: A bill for an act relating to taxation; property taxes; providing for certification of taxes paid before recording certain deeds and instruments; amending Minnesota Statutes 1976, Sections 272.14; 508.47, Subdivision 4; and Chapter 272, by adding a section; and Minnesota Statutes, 1977 Supplement, Section 272.12.

Referred to the Committee on Judiciary.

Mr. Perpich introduced—

S. F. No. 2391: A bill for an act relating to taconite occupation taxes; increasing the distribution of tax proceeds to certain school districts; amending Minnesota Statutes, 1977 Supplement, Section 298.28, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Dieterich introduced—

S. F. No. 2392: A bill for an act relating to contracts for deeds; requiring certain disclosures; requiring registration or recording of contracts for deed; providing additional remedies for vendees; amending Minnesota Statutes 1976, Section 559.21; Chapters 507, by adding sections; and 559, by adding a section.

Referred to the Committee on Judiciary.

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. 1617: A bill for an act relating to evidence; eliminating the presumption of due care in negligence actions; repealing Minnesota Statutes 1976, Section 602.04.

Senate File No. 1617 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 6, 1978

CONCURRENCE AND REPASSAGE

Mr. Davies moved that the Senate concur in the amendments by the House to S. F. No. 1617 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1617 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knutson	Penny	Staples
Ashbach	Frederick	Lessard	Perpich	Stokowski
Bang	Gearty	Luther	Purfeerst	Strand
Benedict	Gunderson	McCutcheon	Renneke	Stumpf
Borden	Hughes	Menning	Schmitz	Tennessee
Chenoweth	Humphrey	Merriam	Schrom	Ueland, A.
Chmielewski	Johnson	Moe	Setzepfandt	Ulland, J.
Davies	Keefe, S.	Nelson	Sieloff	Vega
Dieterich	Kleinbaum	Nichols	Sikorski	Wegener
Dunn	Knoll	Olhoff	Spear	Willet

So the bill, as amended, was repassed and its title was agreed to.

MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 405 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 405: A bill for an act relating to gambling; authorizing the operation of certain gambling devices by licensed organizations; providing a penalty; amending Minnesota Statutes 1976, Sections 325.54, Subdivision 1; 340.14, Subdivision 2; 609.75; 609.76; Chapters 349, by adding a section; and 609, by adding a section.

House File No. 405 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 6, 1978

Mr. Nelson moved that H. F. No. 405 and the Conference Committee Report be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 1141, 2005, 2051, 2281, 2298, 932, 1870, 1914, 1921, 2452, 1220, 1663, 1884, 2159, 838, 2043 and 2192.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 6, 1978

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 1937, 1797, 2493 and 2494.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 6, 1978

FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H. F. No. 1141: A bill for an act relating to local government compliance with plans for wild, scenic or recreational river areas; providing for a study and recommendations concerning the amount and distribution of costs associated therewith.

Referred to the Committee on Agriculture and Natural Resources.

H. F. No. 2005: A bill for an act relating to medical malpractice insurance; extending the temporary joint underwriting association for an additional two year period; amending Minnesota Statutes 1976, Section 62F.01; repealing Laws 1976, Chapter 242, Section 16.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 2287.

H. F. No. 2051: A bill for an act relating to the city of Minneapolis; authorizing increased compensation for members of the board of park commissioners; amending Laws 1974, Chapter 181, Section 1.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1909 now on General Orders.

H. F. No. 2281: A bill for an act relating to conveyances; providing for the adoption of uniform conveyancing forms to replace certain forms in use; amending Minnesota Statutes 1976, Section 507.09.

Referred to the Committee on Judiciary.

H. F. No. 2298: A bill for an act relating to highway traffic regulation; change of course; clarifying requirement to signal a turn; amending Minnesota Statutes 1976, Section 169.19, Subdivision 4.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1398 now on General Orders.

H. F. No. 932: A bill for an act relating to Ramsey county; amending the Ramsey county code by deleting an obsolete pro-

vision therein relating to the printing of the code; amending Laws 1974, Chapter 435, Section 1.0213.

Referred to the Committee on Local Government.

H. F. No. 1870: A bill for an act relating to nursing; providing for issuance of certain licenses without examination to persons receiving certain training or licensing outside this state; amending Minnesota Statutes 1976, Section 148.291, Subdivision 3.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1717 now in the Subcommittee on Bill Scheduling.

H. F. No. 1914: A bill for an act relating to Koochiching county; authorizing the county law library to be supported by judicially imposed fee charges.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1884.

H. F. No. 1921: A bill for an act relating to local improvements; special assessments; eliminating certain limitations on special assessments by municipalities; amending Minnesota Statutes 1976, Section 429.011, Subdivision 2b.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 2025 now in the Subcommittee on Bill Scheduling.

H. F. No. 2452: A bill for an act relating to state lands; directing the conveyance of Hastings state hospital surplus lands.

Referred to the Committee on Agriculture and Natural Resources.

H. F. No. 1220: A bill for an act relating to courts; providing for law clerks to assist district judges; amending Minnesota Statutes 1976, Section 484.545, Subdivision 1.

Referred to the Committee on Judiciary.

H. F. No. 1663: A bill for an act relating to retirement; authorizing a combined service annuity and the purchase of prior service credit for certain university employees.

Referred to the Committee on Governmental Operations.

H. F. No. 1884: A bill for an act relating to highway traffic regulations; prohibiting passing a school bus when it is stopped and is displaying stop signals; providing penalties; amending Minnesota Statutes 1976, Section 169.44, Subdivision 1.

Referred to the Committee on Transportation.

H. F. No. 2159: A bill for an act relating to courts; permitting personal jurisdiction over non-residents for causes of action re-

lating to tortious acts; revising the provision to accord with federal constitutional requirements; amending Minnesota Statutes 1976, Section 543.19, Subdivision 1.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1862 now on General Orders.

H. F. No. 838: A bill for an act relating to natural resources; watershed districts; changing bonding provisions for managers; changing and clarifying administrative provisions; establishing a survey and data acquisition fund; creating fees for applications for permits and for field inspections; requiring a permit applicant to post a bond; providing penalties and enforcement provisions; amending Minnesota Statutes 1976, Sections 112.42, Subdivision 1; 112.43, Subdivision 1; 112.48, Subdivision 4; 112.49, by adding a subdivision; 112.50, Subdivision 1; 112.55; 112.61, by adding a subdivision; 112.62, by adding a subdivision; 112.69; 112.761, Subdivision 1; 112.85, Subdivision 1; and Chapter 112, by adding sections; repealing Laws 1969, Chapter 969.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 322 now on General Orders.

H. F. No. 2043: A bill for an act relating to the legislature; continuation in or return of members to their employment after legislative sessions; prescribing a period during which a member may not be discharged except for good cause; political discrimination; amending Minnesota Statutes 1976, Section 3.083.

Referred to the Committee on Governmental Operations.

H. F. No. 2192: A bill for an act relating to transportation; establishing a rail user loan guarantee program; creating a rail user loan guarantee account; prescribing powers and duties of the commissioner of transportation; appropriating money; amending Minnesota Statutes 1976, Sections 362A.01, Subdivision 2; and 474.02, Subdivision 2.

Referred to the Committee on Transportation.

H. F. No. 1937: A bill for an act relating to pollution control; providing for the receipt and appropriation of certain funds by the pollution control agency; further regulating the transport of sewage sludge; amending Minnesota Statutes 1976, Section 115.06, Subdivision 2; and Minnesota Statutes, 1977 Supplement, Section 169.80, Subdivision 2.

Referred to the Committee on Agriculture and Natural Resources.

H. F. No. 1797: A bill for an act relating to the city of Zumbrota; authorizing the sale of certain public land.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1916 now on General Orders.

H. F. No. 2493: A bill for an act relating to public improvements; authorizing alteration, repair, rehabilitation, equipping, and replacement of equipment of public buildings with certain conditions; postponing deadline for submission of capital budget; authorizing purchase and sale of public lands and buildings; appropriating money; amending Minnesota Statutes 1976, Section 16A.11, Subdivision 1.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 2370 now on General Orders.

H. F. No. 2494: A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state building bonds; limiting capital improvements at vocational-technical schools; appropriating money; amending Minnesota Statutes 1976, Sections 121.21, Subdivision 4a; 121.214, Subdivisions 1, 3, and by adding a subdivision; 124.564; repealing Minnesota Statutes, 1977 Supplement, Sections 16.015 and 16.016.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 2371 now on General Orders.

REPORTS OF COMMITTEES

Mr. Borden moved that the Committee Reports at the Desk be now adopted, with the exception of the reports on H. F. Nos. 17 and 830 and reports pertaining to appointments. The motion prevailed.

Mr. Laufenburger from the Committee on Employment, to which was referred

S. F. No. 2355: A bill for an act relating to unemployment compensation; providing benefits for certain persons reaching mandatory retirement age.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

“Section 1. Laws 1977, Chapter 242, is amended by adding a section to read:

Sec. 2. Benefits provided pursuant to chapter 268 shall be provided to individuals defined in section 268.09, subdivision 1, clause (2) (d), when the separation from employment occurs on July 2, 1977 or thereafter.”

Amend the title as follows:

Page 1, line 4, after “age” insert “; amending Laws 1977, Chapter 242, by adding a section”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Employment, to which was referred

S. F. No. 1543: A bill for an act relating to unemployment compensation; making certain daytime activity center teachers ineligible for benefits during certain periods; amending Minnesota Statutes 1976, Section 268.08, Subdivision 5.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes, 1977 Supplement, Section 268.08, Subdivision 6, is amended to read:

Subd. 6. [SERVICES PERFORMED FOR STATE, MUNICIPALITIES OR CHARITABLE CORPORATION.] Effective January 1, 1978 benefits based on service in employment defined in section 268.04, subdivision 12, clauses (7), (8) and (9), shall be payable in the same amount, on the same terms and subject to the same conditions as benefits payable on the basis of other service subject to this chapter; except that

(a) With respect to weeks of unemployment after December 31, 1977, benefits based upon service performed in an instructional, research, or principal administrative capacity for an institution of higher education or a public school, or a nonpublic school or the Minnesota school for the deaf or Minnesota braille and sight saving school, or a developmental achievement center operating pursuant to sections 252.21 to 252.26 and licensed pursuant to section 245.783, benefits shall not be paid based upon such services for any week of unemployment commencing during the period between two successive academic years or terms, or during a similar period between two regular but not successive terms, or during a period of paid sabbatical leave provided for in the individual's contract, to any individual if such *the* individual performs such *the* services in the first of such *the* academic years or terms and if there is a contract or a reasonable assurance that such *the* individual will perform services in any such capacity for any institution of higher education, public school, nonpublic school, or said state deaf and sight saving schools, or developmental achievement center in the second of such *the* academic years or terms, and

(b) With respect to service performed after December 31, 1977 in any capacity, other than those capacities described in clause (a) of this subdivision, for a public school or nonpublic school, or the Minnesota school for the deaf or Minnesota braille and sight saving school, and for service with a political subdivision with respect to a school, or a developmental achievement center operating pursuant to sections 252.21 to 252.26 and licensed pursuant to section 245.783, benefits shall not be paid on the basis of such *these* services to any individual for any week which commences during a period between two successive academic years or term if such *the* individual performs such *the* services in the first of such *the* academic years or terms and there is a reasonable assurance

that ~~such the~~ individual will perform ~~such the~~ services in the second of ~~such the~~ academic years or terms, and

(c) With respect to any services described in clause (a) or (b), compensation payable on the basis of ~~such the~~ services shall not be paid to any individual for any week which commences during an established and customary vacation period or holiday recess if ~~such the~~ individual performs ~~such the~~ services in the period immediately before ~~such the~~ vacation period or holiday recess, and there is a reasonable assurance that ~~such the~~ individual will perform ~~such the~~ services in the period immediately following ~~such the~~ vacation period or holiday recess. *School year for a developmental achievement center operating pursuant to sections 252.21 to 252.26 and licensed pursuant to section 245.783, means that period established by resolution of its board of directors.*

Sec. 2. [EFFECTIVE DATE.] *This act is effective the day following its final enactment.*"

Amend the title as follows:

Page 1, line 5, strike "1976" and insert ", 1977 Supplement"

Page 1, line 6, strike "5" and insert "6"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Tennesen from the Committee on Commerce, to which was referred

H. F. No. 830: A bill for an act relating to public utilities; regulation of cooperative electric associations; amending Minnesota Statutes 1976, Sections 216B.01; 216B.02, Subdivision 4; 216B.06; 216B.17, by adding a subdivision; 216B.36; 216B.38, Subdivision 5; 216B.45; 216B.47; 216B.62, by adding a subdivision; repealing Minnesota Statutes 1976, Sections 216B.48, Subdivision 7; 216B.49, Subdivision 6; 216B.50, Subdivision 2; and 216B.51, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 22, after "308" insert ", and having less than 10,000 members or stockholders,"

Page 3, after line 3, insert:

"A cooperative electric association may elect to become subject to rate regulation by the commission pursuant to sections 216B.03 to 216B.23. The election shall be (a) approved by the board of directors and members or stockholders of the association in accordance with the procedures for amending the articles of incorporation contained in section 308.15, subdivision 1, excluding the filing requirements; or (b) approved by a majority of members or stockholders voting by mail ballot or voice vote at a special meeting called by petition of no less than 10 percent of the members or stockholders of the association, provided that a quorum of the

members or stockholders is registered as being present or represented by mail vote at the special meeting. The election shall be effective 30 days after certified copies of the resolutions approving the election are filed with the commission. Any cooperative electric association electing to become subject to regulation of rates by the commission shall be exempt from the provisions of sections 216B.48, 216B.49, 216B.50, and 216B.51."

Page 7, line 2, before "complaints" insert "all of the costs incurred in the adjudication of"

Page 7, after line 3, insert "Cooperative electric associations electing to become subject to rate regulation by the commission pursuant to section 216B.02, subdivision 4, shall be subject to this section."

Amend the title as follows:

Page 1, line 2, after the semicolon insert "reducing"

Page 1, line 2, after "of" insert "certain"

Page 1, line 3, after "associations" insert "unless an election to continue regulation is made"

And when so amended the bill do pass. Mr. Dieterich questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred

S. F. No. 2034: A bill for an act relating to the governor; appropriating money for the establishment of a governor's conference on food and nutrition.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 8, strike "governor" and insert "commissioner of agriculture"

Amend the title as follows:

Page 1, line 2, strike "governor" and insert "commissioner of agriculture"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 2251: A bill for an act relating to the town of White, St. Louis county; authorizing the board of supervisors to set the compensation of the town assessor; amending Laws 1973, Chapter 530, Section 1; repealing Laws 1959, Chapter 314, Section 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, strike lines 10 and 11, and insert "*The electors of the town of White may set the compensation of the town assessor at the annual town meeting or special town meeting called for that purpose.*"

Amend the title as follows:

Page 1, line 3, strike "board of supervisors" and insert "electors of the town"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 2181: A bill for an act relating to the practice of dentistry; amending Minnesota Statutes 1976, Sections 150A.06, Subdivision 4; 150A.08, Subdivision 1; and 150A.09, by adding subdivisions.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1 after line 7, insert:

"Section 1. Minnesota Statutes 1976, Section 150A.03, Subdivision 1, is amended to read:

150A.03 [OFFICERS; EQUIPMENT AND SUPPLIES.] Subdivision 1. The board of dentistry shall elect from its members a president, a vice-president, and a secretary treasurer secretary. The board shall have a common seal. It may hold meetings at such times as may be necessary and as it may determine. The board may hold special meetings outside of the state for the purpose of conducting examinations in conjunction with the boards of dentistry of other states, provided that the cost of such examinations be borne entirely by those persons wishing to have the board of dentistry conduct such examinations affiliate and participate, both in and out of state, with regional and national testing agencies for the purpose of conducting examinations for licensure and registration. The fee charged by such an agency for conducting the examination may be in addition to the application fee established by the board pursuant to section 150A.06.

Sec. 2. Minnesota Statutes 1976, Section 150A.06, Subdivision 1, is amended to read:

150A.06 [LICENSURE.] Subdivision 1. [DENTISTS.] A person of good moral character not already a licensed dentist of the state, desiring to practice dentistry herein, shall apply to the state board of dentistry for examination and pay the fee established by the board for the first examination, and the same fee for each subsequent examination, which in no case shall be refunded. At the time and place designated by the board the applicant may present

himself for examination and shall produce having submitted an application and fee as prescribed by the board and his diploma or equivalent from a dental college of good standing, of which standing the board shall be the sole judge, also satisfactory evidence showing that the applicant is of good moral character. The board shall give the applicant may be examined by the board or by an agency pursuant to section 150A.03, subdivision 1, in such a manner an examination as to test thoroughly his the applicant's fitness for the to practice of dentistry. In the case of examinations conducted pursuant to section 150A.03, subdivision 1, applicants may take the examination prior to applying to the board for licensure. Said The examination shall include an examination of the applicant's knowledge of the laws of Minnesota relating to dentistry and the rules of the state board of dentistry. A separate fee may be charged for each time a person applies which in no case shall be refunded. An applicant who successfully passes the examination and meets all other requirements of the board shall be licensed to practice dentistry and supplied with a license by the board. Rules of the board establishing an examination fee shall remain in effect and shall constitute the application fee provided for herein until such time as the board shall amend, repeal, or otherwise change the rules pursuant to the Minnesota Statutes, Chapter 15.

Sec. 3. Minnesota Statutes 1976, Section 150A.06, Subdivision 2, is amended to read:

Subd. 2. [DENTAL HYGIENISTS.] A person of good moral character not already a licensed dental hygienist of this state, being a graduate of an accredited high school or its equivalent, who is a graduate of and having submitted an application and fee as prescribed by the board and his diploma or equivalent from a training school for dental hygienists of good standing, of which standing the board shall be the sole judge, or equivalent approved by the board, may, upon payment of the fee established by the board, be examined by the board or by an agency pursuant to section 150A.03, subdivision 1 in such manner as to thoroughly test the applicant's fitness to practice dental hygiene. In the case of examinations conducted pursuant to section 150A.03, subdivision 1, applicants may take the examination prior to applying to the Board for licensure. Each applicant shall also be examined on the applicant's knowledge of the laws of Minnesota relating to dentistry and of the rules and regulations of the state board of dentistry. A separate fee may be charged for each time a person applies which in no case shall be refunded. An applicant who successfully passes the examination and meets all the other requirements of the board shall be licensed as a dental hygienist and supplied with a license by the board. Rules of the board establishing an examination fee shall remain in effect and shall constitute the application fee provided for herein until such time as the board shall amend, repeal, or otherwise change the rules pursuant to the Minnesota Statutes, Chapter 15.

Sec. 4. Minnesota Statutes 1976, Section 150A.06, Subdivision 2a, is amended to read:

Subd. 2a. [REGISTERED DENTAL ASSISTANTS.] Applica-

tion for registration as a registered dental assistant shall be made in writing to the board upon a form furnished by the board, accompanied by satisfactory evidence that the applicant is of good moral character and is a graduate of a training program approved by the board by rule. The application shall be accompanied by a fee set by the board by rule. Upon filing the application, the board, if satisfied, shall examine the applicant on his skills, and his knowledge of the laws of Minnesota relating to dentistry and the rules of the board. An applicant who successfully passes the examination shall be registered as a dental assistant. A person of good moral character, having submitted an application and fee as prescribed by the board and his diploma or equivalent from a training school, of good standing, for dental assistants, of which standing the board shall be sole judge, or equivalent as approved by the board, may be examined by the board or by an agency pursuant to 150A.03, subdivision 1, in such a manner as to test thoroughly the applicant's fitness to perform as a registered dental assistant. In the case of examinations conducted pursuant to section 150A.03, subdivision 1, applicants may take the examination prior to applying to the board for registration. The examination shall include an examination of the applicant's knowledge of the laws of Minnesota relating to dentistry and the rules of the board. A separate fee may be charged for each time a person applied which in no case shall be refunded. An applicant who passes the examination and meets all the other requirements of the board shall be registered as a dental assistant. Rules of the board establishing an examination fee shall remain in effect and shall constitute the application fee provided for herein until such time as the board shall amend, repeal, or otherwise change the rules pursuant to the Minnesota Statutes, Chapter 15."

Renumber the sections in sequence.

Page 1, line 12, delete the new language and insert: "any Canadian province"

Page 1, line 14, delete "Canada" and insert: "Canadian province"

Page 3, after line 32, insert:

"Sec. 9. [EFFECTIVE DATE.] *This act shall be effective the day following its final enactment.*"

Further, amend the title as follows:

Page 1, line 3 after "Sections" insert: "150A.03, Subdivision 1;"

Page 1, line 4, strike "Subdivision 4" and insert "Subdivisions 1, 2, 2a and 4"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. P. No. 1705: A bill for an act relating to nursing homes;

medical assistance; providing for exceptions to rate limitations; amending Minnesota Statutes, 1977 Supplement, Section 256B.47, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 2, after "256B.45," insert "or an incentive allowance pursuant to section 256B.46,"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 1913: A bill for an act relating to medical assistance; nursing home rates; modifying exceptions to rate limits; amending Minnesota Statutes, 1977 Supplement, Section 256B.47, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 6, after "with" insert "criteria and"

Page 2, strike section 2 and insert:

"Sec. 2. The commissioner of health shall design and conduct an experimental project to determine the feasibility of an alternative system of specifying nursing care time for patients in long term care facilities based upon the concepts of the quality assurance program under Medicaid.

Sec. 3. The commissioner of health shall seek the advice and assistance of the commissioner of public welfare in the design, conduct, and evaluation of the project.

Sec. 4. The commissioner of health shall seek the voluntary cooperation of not less than 10 and not more than 40 licensed long term facilities, and shall enter into contracts with the facilities chosen. The commissioner of health may terminate with seven days written notice without review the contract with any facilities that, in the opinion of the commissioner, are not following the protocols of the project or are not complying with the conditions of the contract or are otherwise not cooperating with the conduct of the project. The rules of the departments of health and of public welfare relating to minimum hours of nursing care time and maximum reimbursable hours of nursing care time shall not be applicable to the contracting facility during the contract period.

Sec. 5. The commissioner, not later than June 30, 1979, shall furnish the governor and the legislature with a report of the project and following the completion of the report shall promulgate rules to implement section 1.

Sec. 6. There is appropriated to the department of health a sum of \$95,000 for the biennium ending June 30, 1979, for the purpose of the above sections."

Renumber the sections in sequence.

Amend the title as follows:

Page 1, line 3, after "limits;" insert "providing for an experimental project on alternative system of nursing home care; appropriating money;"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 1918: A bill for an act relating to retirement; transfer of pension coverage for university of Minnesota peace officers to the public employees police and fire fund; terminating the university of Minnesota police department retirement plan and fund; transfer of assets and records; providing for an extension of police state aid; amending Minnesota Statutes 1976, Sections 69.021, Subdivision 9; 69.031, Subdivision 4; 356.20, Subdivision 2; Minnesota Statutes, 1977 Supplement, Sections 69.011, Subdivisions 1 and 2; 69.021, Subdivisions 5, 6 and 7; and 69.031, Subdivision 5.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 13, after "1977." insert "*If an adjustment from the Minnesota adjustable fixed benefit fund pursuant to section 11.25 is payable as of January 1, 1979, the required reserves for the increase determined using a five percent interest assumption and the applicable public employees police and fire fund mortality table shall be transferred by the public employees police and fire fund to the Minnesota adjustable fixed benefit fund on January 1, 1979.*"

Page 5, line 7, after "amount of" insert "82,904"

Page 5, line 8, strike "30" and insert "10"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 2082: A bill for an act relating to retirement; adjustment of benefits of disabilitants and survivors under public pension funds; amending Minnesota Statutes 1976, Chapter 356, by adding a section.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 11, after "disabilitant" insert "*or a survivor*"

Page 2, line 2, after "1976" insert "*and who did not receive an increase from or an increase equal to the increase from the Min-*

nesota adjustable fixed benefit fund paid or payable January 1, 1978"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 1663: A bill for an act relating to juveniles; probation officers; making county boards responsible for setting salaries for certain probation officers; amending Minnesota Statutes, 1977 Supplement, Section 260.311, Subdivision 5.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 10, after the period insert "*However, a county shall be eligible for reimbursement if the salary paid is determined according to a personnel classification and compensation system adopted pursuant to section 375.56, or similar special law.*"

Page 2, line 12, reinstate the stricken language and after "officers" insert "*in consultation with the*"

Page 2, line 14, reinstate the stricken language and after "authority" insert "*in consultation with the*"

Page 2, line 18, reinstate the stricken language and strike the new language

Amend the title as follows:

Page 1, line 2, strike "juveniles;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Elections, to which was referred

H. F. No. 17: A bill for an act relating to elections; providing for special elections to the Minnesota legislature and the United States house of representatives; amending Minnesota Statutes 1976, Sections 202A.62, Subdivisions 1, 2 and 3; 202A.63; 202A.65, Subdivision 3; 202A.66, Subdivision 3; and 202A.67, Subdivisions 2 and 3.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"ARTICLE I

LOCAL GOVERNMENT ELECTION DAY

Section 1. [205.011] [LOCAL GOVERNMENT ELECTION DAY.] *Subdivision 1. [LEGISLATIVE INTENT.] It is the purpose and intent of this act to increase public interest and participation in local elections and to draw the attention of the public*

and the news media to local government issues by the designation of a single, uniform, biennial date for all local elections in the state; to encourage more people to vote at local elections by permitting voters to cast their ballots in all local election contests, including school district, city and county elections, only once every two years and at a single, convenient polling place; to encourage more people to seek local elective offices by establishing a uniform time for filing for office; and to lower the administrative costs of local elections by eliminating separate dates and procedures for conducting local elections and providing a single, biennial election for all local offices conducted, as far as practicable, in the same manner as the statewide general election.

Subd. 2. [CITATION.] This act may be cited as the "Minnesota local government election day act."

Sec. 2. Minnesota Statutes 1976, Chapter 205, is amended by adding a section to read:

[205.015] [LOCAL GOVERNMENT ELECTION DAY.] Subdivision 1. [ESTABLISHMENT.] The first Tuesday after the first Monday in November in each odd numbered year is designated and shall be known as the "local government election day."

Subd. 2. [OFFICERS ELECTED.] The regular election of the elective officers of every county, city and school district, the judges of the county and municipal courts and the elective officers of every other political subdivision of the state except towns shall be held on the local government election day next preceding the expiration of their terms.

Subd. 3. [PRIMARY.] A primary election shall be held six weeks before the local government election day to select the candidates for the offices to be filled on that day except for municipal offices in municipalities of less than 2,500 inhabitants.

No primary shall be held to select candidates for any non-partisan office when only two persons file for nomination for that office, or when not more than twice the number of persons to be elected file for nomination for that office.

Subd. 4. [PLACE OF ELECTION.] The election precincts and polling places for elections held on the local government election day shall be those established according to sections 204A.06 to 204A.11. Ballots shall be distributed and available so that no voter shall be required to vote in more than one polling place in order to vote in every election in which the voter is eligible to vote on the local government election day.

Subd. 5. [HOURS FOR VOTING.] The hours for voting in each precinct in which an election is held pursuant to this section shall be as provided in section 204A.05 for the general election and the primary before that election.

Subd. 6. [TIME FOR FILING.] The time for the filing of any affidavit, application, petition or other document required to place the name of any person on the ballot for election to any office to be filled on the local government election day for which a

primary is required for nomination of candidates shall commence 14 weeks before the local government election day and shall conclude 12 weeks before that day. When no primary is required, the time for filing shall commence eight weeks before the local government election day and conclude six weeks before that day.

Subd. 7. [WITHDRAWAL OF CANDIDACY.] A candidate for any office to be filled on the local government election day may withdraw his candidacy for that office not later than 5:00 p.m. on the day after the close of the filing period. Such a candidate may also withdraw during the seven days following the primary election. Affidavits of withdrawal shall be filed with the officer who receives affidavits of candidacy for that office.

Subd. 8. [PURPOSE; OTHER LAWS AND CHARTERS SUPERSEDED.] It is the purpose and intent of this section to establish uniform dates and procedures for the election of all officers described in subdivision 2. To the extent inconsistent with this intent all general and special laws and municipal charter provisions providing otherwise are superseded. In all other respects, those laws and charter provisions shall continue in full force and effect. No general or special law enacted after August 1, 1978, shall be construed to authorize or require that the regular election of any officers described in subdivision 2 be held at a time or in a manner different from that required by this section, unless that law expressly provides for such an exception by specific reference to this section.

ARTICLE II

ELECTION LAWS; LOCAL GOVERNMENT ELECTIONS

Section 1. Minnesota Statutes 1976, Section 205.01, is amended to read:

205.01 [DEFINITIONS.] The words used in sections 205.01 to 205.17 chapter 205 have the meanings prescribed to given them in chapter 200.

Sec. 2. Minnesota Statutes 1976, Chapter 205, is amended by adding a section to read:

[205.017] [NOTICE OF OFFICES TO BE FILLED; COUNTIES, CITIES AND SCHOOL DISTRICTS.] *No later than 15 days before the first day for filing affidavits of candidacy each county auditor and each city, school district, hospital district and soil and water conservation district clerk shall prepare, post in his respective office and publish a notice specifying the officers whose certificates of election were issued by the office of that auditor or clerk and who are to be voted on at the next regular election. The notice shall also state the opening and closing dates for filing affidavits and the place for filing. Immediately upon preparation, the county auditor and school district, hospital district and soil and water conservation district clerks shall deliver copies of the notice to the clerk of each municipality in the county or district. The clerk of each municipality shall post in his office copies of the notices delivered to him pursuant to this section.*

Sec. 3. Minnesota Statutes 1976, Section 205.021, is amended to read:

205.021 [CITY ELECTIONS; APPLICABLE STATUTES.] In all statutory and home rule charter cities, the regular, primary, and special elections held for choosing public officials for the city and deciding public questions relating to the city shall be held *according to the statutes governing the general election and the primary preceding the general election as far as practicable, except as provided in sections 205.01 to 205.17 ; except that sections 205.01 to 205.15 are not applicable to any city the charter of which provides for the manner of holding its regular, primary, or special municipal elections . Sections 205.01 to 205.17 shall also apply to towns to the extent specified in those sections.*

Sec. 4. Minnesota Statutes 1976, Chapter 205, is amended by adding a section to read:

[205.026] [OPTIONAL ALLEY SYSTEM AND RESIDENCE DISTRICTS.] *Notwithstanding any general or special law or any home rule charter provision to the contrary, any municipality that holds municipal elections on the local government election day and holds at large elections for members of the governing body of the municipality may by ordinance designate each position on the governing body by a separate letter of the alphabet and require that each candidate for election to the governing body shall file for only one designated position. Each such position to be filled at any election shall be designated on the ballot by the appropriate letter. Any such municipality may in the same or in a separate ordinance assign each designated position to a separate geographical district within the municipality and require that any candidate who files for any position must reside in the district to which the position is assigned. The residence districts shall be substantially equal in population. Any ordinance adopted pursuant to this section shall be adopted at least 16 weeks before the local government election day for which it is effective and shall be effective for all ensuing elections until revoked. The governing body of the municipality shall file a copy of the ordinance with the secretary of state.*

Sec. 5. Minnesota Statutes 1976, Chapter 205, is amended by adding a section to read:

[205.125] [OPTIONAL PRIMARY; RUN-OFF ELECTION REQUIREMENT.] *Subdivision 1. [OPTIONAL PRIMARY.] The governing body of any municipality of less than 2,500 inhabitants which holds municipal elections on the local government election day may elect by ordinance or resolution to hold a municipal primary election six weeks before the local government election day. Any such ordinance or resolution shall be adopted at least 16 weeks before the local government election day and shall be effective for all ensuing elections until revoked. The governing body of the municipality shall file a copy of the ordinance or resolution with the secretary of state.*

Subd. 2. [RUN-OFF ELECTION REQUIRED, WHEN.] When more than twice the number of persons to be elected to any

municipal office are candidates for that office in a municipality which holds municipal elections on the local government election day but does not hold a municipal primary, a candidate for that office shall be declared elected only if he receives a majority of the vote cast for that office. When more than one person is to be elected to an office, the vote cast for that office shall be deemed to be the total vote cast for all candidates for that office divided by the number of persons to be elected. If no candidate, or an insufficient number of candidates, receives a majority of the vote cast for that office a run-off election shall be held among the number of candidates equal to twice the number of persons remaining to be elected to that office who receive the highest number of votes in the regular election. The run-off election shall be held three weeks after and conducted in the same manner as the regular municipal election.

Sec. 6. Minnesota Statutes 1976, Section 205.13, is amended to read:

205.13 [MUNICIPAL ELECTION; CANDIDATES; FILING.]
Subdivision 1. [CITIES; AFFIDAVITS OR APPLICATIONS.] Not more than six nor less than four weeks before the primary election, or before the municipal election if there is no primary election, Any person eligible and desiring to have his name placed on the official ballot as a candidate for an office to be voted for at the regular city election or at any town election held on the local government election day shall file his affidavit of candidacy with the municipal clerk during the time for filing prescribed by article 1, section 2, subdivision 6 . The affidavit shall be substantially the same form as required of candidates for state offices. An application also may be signed by not less than five voters and filed on behalf of any qualified voter in the municipality whom they desire to be a candidate if service of a copy of the application is made on the candidate and proof of service is endorsed on the application before filing. Upon payment of the proper filing fee to the clerk, the clerk shall place the name of the candidate on the official ballot without partisan designation .

Subd. 2. [TOWN ELECTIONS AT ANNUAL MEETING; AFFIDAVITS OR APPLICATIONS.] Town elections held at the annual town meeting shall follow the procedures established in subdivision 1, except that the time for filing shall be not more than 42 nor less than 28 days before the primary or before the town election if there is no primary.

Subd. 3. [NONPARTISAN BALLOT.] Municipal ballots shall not contain any partisan designation for any candidates except as provided in section 205.17.

Sec. 7. Minnesota Statutes 1976, Section 205.14, is amended to read:

205.14 [MUNICIPAL ELECTION, PROCEDURE.] Subdivision 1. [MATERIALS, BALLOTS.] The city municipal clerk shall prepare and cause to be printed the necessary election materials, including the ballots, for the municipal election.

Subd. 2. [ELECTION, CONDUCT.] The election *primary and regular municipal elections* shall be held and the returns made in the manner provided for the general election *and the primary election preceding the general election*.

Subd. 2a. [PRIMARY ELECTION RESULTS.] *Within two days after the municipal primary election, the governing body of the municipality shall canvass the returns of the election; and the two candidates for each office who receive the highest number of votes, or a number of candidates equal to twice the number of persons to be elected to the office and who receive the highest number of votes, shall be the nominees for the office named. In any case where a tie vote causes more candidates than may be nominated to an office to receive the highest number of votes, the governing body shall determine the result by lot. The names of the nominees shall be certified to the municipal clerk who shall place them on the regular municipal election ballot without payment of an additional fee.*

Subd. 3. [REGULAR ELECTION RESULTS; CERTIFICATE OF ELECTION; DISPOSITION OF BALLOTS.] *Within two days after the regular election, the council governing body shall canvass the returns and declare the results of the election. After the time for contesting elections has passed, the municipal clerk shall issue a certificate of election to each successful candidate; but . In case of a contest, the certificate shall not be issued until the contest has been determined by the proper court. In case of a tie vote, the council governing body shall determine the result by lot. The municipal clerk shall certify the results of the election to the county auditor; and . The city clerk shall be the final custodian of the ballots and the returns of the election.*

Sec. 8. Minnesota Statutes 1976, Section 205.16, Subdivision 2, is amended to read:

Subd. 2. [SAMPLE BALLOT, NOTICE.] *In all statutory and home rule charter cities, For every election held within the city for municipal purposes, the city clerk shall, at least one week before the election, publish a sample ballot in the official newspaper of the city, except that the council of any fourth class city may dispense with publication. At least four days before the election the clerk shall post a sample ballot in his office for public inspection; and a sample ballot shall also be posted in each polling place.*

Sec. 9. Minnesota Statutes 1976, Chapter 205, is amended by adding a section to read:

[205.165] [SAMPLE BALLOTS AT EACH POLLING PLACE.] *For every election held within the municipality, the municipal clerk shall cause to be posted in each polling place a sample ballot of every ballot to be voted upon at that polling place, including a sample of the state, county, city, school district or other ballot that may be voted upon.*

Sec. 10. Minnesota Statutes 1976, Chapter 205, is amended by adding a section to read:

[205.211] [COUNTY ELECTIONS.] *Except as provided in article I, section 2 and article II, section 2, the statutes governing the general election and the primary preceding the general election shall govern the regular and primary election for county officers and county court judges.*

Sec. 11. Minnesota Statutes 1976, Chapter 205, is amended by adding a section to read:

[205.221] [INDEPENDENT SCHOOL DISTRICT ELECTIONS.] *Subdivision 1. [STATUTES APPLICABLE.] Except as otherwise provided in chapter 205, the statutes governing the general election and the primary preceding the general election shall govern independent school district regular and primary elections as far as practicable.*

Subd. 2. For the purposes of article II, sections 11 to 15 of this act, "district" or "school district" means "independent school district."

Sec. 12. Minnesota Statutes 1976, Chapter 205, is amended by adding a section to read:

[205.226] [ALLEY SYSTEM AND RESIDENCE AREA OPTIONS.] *Notwithstanding any general or special law or any home rule charter provision to the contrary, any school district which holds at large elections for members of the school board may by resolution designate each position on the board by a separate letter of the alphabet and require that each candidate for election to the board file for only one designated position. Each such position to be filled at any election shall be designated on the ballot by the appropriate letter. Any such district may in the same or in a separate resolution assign each designated position to a separate geographical area within the district and require that any candidate who files for any position must reside in the area to which the position is assigned. The residence areas shall be substantially equal in population. Any resolution adopted pursuant to this section shall be adopted at least 16 weeks before the local government election day for which it is effective and shall be effective for all ensuing elections until revoked. A copy of the resolution shall be filed with the secretary of state.*

Sec. 13. Minnesota Statutes 1976, Chapter 205, is amended by adding a section to read:

[205.231] [INDEPENDENT SCHOOL DISTRICT ELECTIONS; PROCEDURES.] *Subdivision 1. [NOTICE OF ELECTION.] The clerk of the district shall give ten days' posted notice of every regular, primary and special independent school district election. If there is a newspaper published in the district, the clerk shall also give one week's published notice. The notice shall specify the time, place and purpose of the election, and shall contain information concerning the precincts, polling places and hours the polls will be open. At least four days before the election, the clerk shall post a sample ballot in his office for public inspection.*

Subd. 2. [CANDIDATES; AFFIDAVITS AND APPLICATIONS.] The school board of each district shall designate one

full time employee in the central office of the district to accept affidavits and applications made pursuant to this subdivision. Any person desiring to be a candidate for an independent school district office at the regular election shall file an affidavit of candidacy with the designated district employee. Affidavits shall be substantially the same form as required for state offices. Any five voters of the district may also file a written application for or on behalf of any qualified voter in the district whom they desire to be a candidate. An affidavit or application shall be filed during the time for filing prescribed by article 1, section 2, subdivision 6, of this act and shall be accompanied by payment of a fee not to exceed \$5.

Subd. 3. [PREPARATION OF BALLOTS.] At the expense of the district, the clerk shall prepare and cause to be printed the necessary official and sample ballots for the election of officers, placing thereon the name and number of the school district and the names of the proposed candidates with the same number of blank spaces for the insertion of names of other candidates as there are members to be elected. School district ballots shall not contain any partisan designation for any candidates. Official ballots shall be printed on buff color paper. Any proposition to be voted upon shall be stated on a separate ballot printed on violet color paper. Voting shall be by secret ballot. No later than the 15th day preceding a regular or primary election, the clerk shall cause to be delivered:

(a) Sufficient sample and official ballots to the municipal clerk of each municipality into which the district extends and to the county auditor of any county containing unorganized territory into which the district extends to permit the municipal clerk and county auditor to provide sufficient ballots to each polling place in the district; and

(b) Sufficient ballots to the officials responsible for accepting applications for absentee ballots pursuant to section 207.03, to permit them to carry out the duties prescribed by chapter 207. Each municipal clerk and county auditor shall provide a sufficient number of school district ballots to the election judges of the appropriate precincts on the day preceding the election.

Subd. 4. [VOTING MACHINES.] Where voting machines are used in precincts containing more than one school district or more than one school election district, separate voting machines shall be used and shall be allocated between the school districts or school election districts in proportion to the number of voters eligible to vote in the precinct from each district.

Sec. 14. Minnesota Statutes 1976, Chapter 205, is amended by adding a section to read:

[205.241] **[ELECTION RESULTS; CERTIFICATION OF CANDIDATES.]** Subdivision 1. **[PRIMARY RESULTS.]** Within two days after receipt of the returns of the primary election, the school board shall canvass the returns, issue certificates to the two candidates for each office who receive the highest number of votes, or to a number of candidates equal to twice the number

of persons to be elected to the office and who receive the highest number of votes, and shall place the names of those candidates on the official ballot for the regular election without the payment of an additional fee. In any case where a tie vote causes more candidates than may be nominated to an office to receive the highest number of votes, the board shall determine the result by lot.

Subd. 2. [REGULAR ELECTION RESULTS.] Within four days after receipt of the returns of the regular election, the school board shall canvass the returns and shall issue a certificate of election to the candidate for each office who received the largest number of votes cast for the office. If any candidates receive an equal number of votes for an office, the board shall resolve the tie by lot. The clerk shall deliver the certificate by registered mail, and each person so certified shall file an acceptance and oath of office in writing with the school district clerk within 30 days of the date of mailing of the certificate. A person who fails to qualify prior to the time specified shall be deemed to have refused to serve, but the filing may be made at any time before action to fill the vacancy has been taken.

Sec. 15. Minnesota Statutes 1976, Chapter 205, is amended by adding a section to read:

[205.251] [SPECIAL ELECTIONS; EXCEPTION.] The board of an independent school district may, and upon petition of 50 or more voters of the district or five percent of the number of votes cast at the preceding regular election, whichever is the greater, shall, by resolution call a special election to vote on any matter requiring approval of the voters of the district. The clerk of the district shall give ten days' posted notice and one week's published notice of election, if a newspaper is published in the district. The notice shall specify the time and place of election, and the questions to be submitted to the voters at the election. The procedure for a special election shall be the same as for a regular election. The expenses of special elections shall be paid by the school district. This section does not apply to elections held pursuant to sections 122.23, 122.25 and 122.26.

Sec. 16. Minnesota Statutes 1976, Chapter 205, is amended by adding a section to read:

[205.261] [COMMON SCHOOL DISTRICTS; ELECTIONS.] Subdivision 1. The school board of a common school district shall be elected at the same time and in the same manner as board members in independent districts.

Subd. 2. This section applies only to School District No. 323 and School District No. 815.

Sec. 17. Minnesota Statutes 1976, Chapter 205, is amended by adding a section to read:

[205.271] [COORDINATION OF LOCAL ELECTIONS; DUTIES OF LOCAL ELECTION OFFICIALS AND THE SECRETARY OF STATE.] Subdivision 1. **[DUTIES OF OFFICIALS.]** In order to effectively coordinate the various elections held on

the local government election day all local election officials including county auditors, municipal clerks and clerks of school, hospital and other special purpose districts shall cooperate with one another and with the secretary of state in the manner required by the rules of the secretary of state adopted pursuant to subdivision 2.

Subd. 2. [ADOPTION OF RULES.] No later than January 1, 1979, the secretary of state shall adopt rules to facilitate the coordination of the various elections held on the local government election day. The rules shall provide:

(a) Standards and guidelines to aid municipalities, counties, school districts and other political subdivisions in allocating election costs, designating boundaries for election purposes and administering elections in precincts split by any election district boundary;

(b) Requirements and procedures for preparation by county auditors and municipal clerks of precinct maps or precinct finders that indicate the boundary and district number of each school district and each school district election district in the precinct and that enable the judges in any precinct with more than one district to determine the district in which any voter residing in the precinct is entitled to vote;

(c) A procedure to be followed by local elections officials to ensure that the number of the school district in which the voter resides is placed on every voter registration card in the manner and by the time required in article III, sections 8 and 10 of this act;

(d) Procedures for efficient distribution of sample and official school district ballots to the polling places; and

(e) A procedure for resolving disputes between municipalities, counties, school districts and other political subdivisions with regard to the conduct of elections.

Subd. 3. [PREPARATION OF LOCAL ELECTION BOOKLET.] No later than January 1, 1979, and every two years thereafter, the secretary of state shall prepare a booklet for distribution to local election officials setting forth all provisions of the election laws that are applicable to elections held on the local government election day.

Sec. 18. Minnesota Statutes 1976, Chapter 205, is amended by adding a section to read:

[205.30] [HOSPITAL DISTRICT ELECTIONS.] Subdivision 1. [APPLICABLE STATUTES.] Except as otherwise provided in chapter 205, the statutes governing the general election and the primary preceding the general election shall govern hospital district elections as far as practicable.

Subd. 2. [APPLICATION FOR CANDIDACY.] Any person desiring to be a candidate for member of a hospital board shall file with the clerk of the town or city in which he resides an affi-

affidavit of candidacy as a member at large or member representing the town or city. Affidavits shall be substantially in the same form as required for municipal elections and shall be filed during the time for filing prescribed by article 1, section 2, subdivision 6 of this act. The clerk of the town or city shall transmit all affidavits of candidacy for member at large or member representing the town or city to the clerk of the district.

Subd. 3. [PREPARATION OF BALLOTS; CERTAIN TOWNS.] *For all towns in the district which do not hold town elections on the local government election day, the clerk of the district shall prepare and distribute to the town clerks at the expense of the district the necessary primary and regular sample and official election ballots for candidates for membership on the hospital board. The official ballots shall be on light green paper and shall be prepared in the manner provided in section 205.07 for preparation of the town light green ballot, except that preparation shall be by the clerk of the district. The clerk of the district shall provide sufficient ballots to the officials responsible for accepting applications for absentee ballots pursuant to section 207.03, to permit them to carry out the duties prescribed by chapter 207.*

Subd. 4. [PREPARATION OF BALLOTS; CITIES AND CERTAIN TOWNS.] *For each town which holds a town election on the local government election day and for each city within the district, the district clerk shall certify the names of the candidates for nomination and election as members representing the town or city and members at large to the municipal clerk. The municipal clerk shall place the names of the candidates for nomination or election as members representing the town or city or members at large on the town or city light green ballot. The hospital district shall reimburse the town or city for its pro rata share of the cost of preparing the light green ballot, as provided in the rules of the secretary of state.*

Subd. 5. [ELECTION RETURNS.] *For the primary and regular election, each clerk of the district shall supply to the clerk of each town and city in the district a number of blank summary statements sufficient for recording the results of the hospital district election in each precinct. Summary statements shall be prepared in the manner required by the secretary of state. After counting the votes, the election judges in each precinct shall complete a summary statement supplied by the district and shall submit the completed statement to the clerk of the town or city in which the precinct is located. The clerk of each town and city shall transmit the hospital district election summary statements to the clerk of the district within 48 hours after the closing of the polls.*

Subd. 6. [CANVASSING OF RESULTS.] *Upon receiving the completed summary statements containing the primary election results the hospital board shall forthwith canvass the results of the primary election and shall certify the names of the candidates to appear on the regular election ballot. In any case where a tie vote causes more candidates than may be nominated to an office*

to receive the highest number of votes, the board shall determine the result by lot. Upon receiving the summary statements containing the regular election results the board shall forthwith canvass the results and shall issue certificates of election to the candidates receiving the highest number of votes for each office. The clerk shall deliver the certificate to the person entitled thereto in person or by registered mail, and each person so certified shall file an acceptance and oath of office in writing with the clerk within 30 days after the date of delivery or mailing of the certificate. The board may fill any office in the manner provided in section 447.32, subdivision 1, if the person elected thereto fails to qualify within said period, but the qualification shall be effective if made at any time before action to fill the vacancy has been taken.

Subd. 7. [APPLICATION.] The election procedures provided in this section apply to hospital districts created pursuant to section 397.05 or 447.31.

ARTICLE III

ELECTION LAWS; GENERAL PROVISIONS

Section 1. Minnesota Statutes 1976, Section 200.02, Subdivision 1, is amended to read:

200.02 [DEFINITIONS.] Subdivision 1. [ELECTION.] The word "election" means any election except those held in any school district, unless otherwise specifically provided by law, at which the electors of the state or any subdivision thereof including any school district nominate or choose by ballot public officials or decide any public question lawfully submitted to them.

Sec. 2. Minnesota Statutes 1976, Section 200.02, is amended by adding a subdivision to read:

Subd. 2a. [LOCAL GOVERNMENT ELECTION DAY.] "Local government election day" means the first Tuesday after the first Monday in November in every odd numbered year as designated pursuant to article 1, section 2, of this act.

Sec. 3. Minnesota Statutes 1976, Section 200.02, is amended by adding a subdivision to read:

Subd. 7a. [CITY.] "City" means a home rule charter or statutory city.

Sec. 4. Minnesota Statutes 1976, Section 200.02, Subdivision 8, is amended to read:

Subd. 8. [HOME RULE CHARTER CITY.] The words "statutory city" mean "Home rule charter city" means any city which has not adopted a home rule charter pursuant to the constitution and laws of this state; the words "home rule charter city" mean any city which has adopted such a charter.

Sec. 5. Minnesota Statutes 1976, Section 200.02, is amended by adding a subdivision to read:

Subd. 8a. "Statutory city" means a city that has not adopted a home rule charter.

Sec. 6. Minnesota Statutes 1976, Section 200.02, Subdivision 24, is amended to read:

Subd. 24. [TERM OF OFFICE.] The term of office of every state and , county , city and school district officer and of every other officer and any political subdivision of the state except towns shall begin on the first Monday in January next succeeding his election, unless otherwise provided by law.

Sec. 7. Minnesota Statutes, 1977 Supplement, Section 201.061, Subdivision 6, is amended to read:

Subd. 6. Each eligible voter is entitled to vote only in the one precinct in which he resides. The judges of election in any election precinct may not receive the vote at any election of any person whose name is not registered in accordance with the provisions of Laws 1973, Chapter 676. The ~~auditor~~ *municipal clerk* shall supply the judges in each precinct with an accurate ~~map~~ *maps* or precinct ~~finder~~ *finders* to assist them in ~~determining the judges in each precinct to determine whether a newly registering voter is registering or voting in the proper precinct. The county auditor shall furnish the maps or precinct finders to judges in unorganized territory in the county.~~

Sec. 8. Minnesota Statutes, 1977 Supplement, Section 201.071, Subdivision 1, is amended to read:

201.071 [REGISTRATION CARDS.] Subdivision 1. Registration cards shall be manila or cardboard cards of size and weight suitable for mailing, and shall be substantially in the following form:

VOTERS REGISTRATION CARD

(Please print or type)

- Date: School District No.
1. Name:
 Last First Middle Initial
2. Address:
 Street or Route No.

 City (or Township) County Zip
3. Telephone Number:
4. Date of birth (optional):
5. Last registration if any:
 Street or Route Number

 City (or Township) Zip

6. I certify that I will be at least 18 years old on election day and that the above facts are correct. I understand that giving false information to procure a registration is a felony punishable by not more than five years imprisonment and a fine of not more than \$5,000, or both.

.....
Signature of Voter

Sec. 9. Minnesota Statutes, 1977 Supplement, Section 201.071, Subdivision 3, is amended to read:

Subd. 3. No registration is faulty or defective if the registration card contains the voter's name, address, prior registration if any and signature, as in items 1, 2, 5 and 6 of the registration card above. The absence of a zip code number or school district number does not cause the registration to be faulty or defective. The judges of election may request a voter to complete a registration card that is incomplete or illegible. No voter may be prevented from voting unless his registration is faulty or defective or he is duly and successfully challenged in accordance with provisions of this chapter.

Sec. 10. Minnesota Statutes 1976, Section 201.071, is amended by adding a subdivision to read:

Subd. 5. All voter registration cards on file on August 1, 1979, and thereafter shall have the number of the school district in which the voter resides recorded on the card as provided in subdivision 1.

Sec. 11. Minnesota Statutes 1976, Section 202A.26, Subdivision 1, is amended to read:

202A.26 [CANDIDATES, WITHDRAWAL.] Subdivision 1. [AFFIDAVIT OF WITHDRAWAL.] No candidate may withdraw his name from the primary ballot unless he files an affidavit with the secretary of state or with the county auditor, as the case may be, within six days after the last day for filing for the office, requesting the officer to withdraw ~~affiant's~~ his name from the ballot. *In the case of any candidate for county office or for judge of the county or municipal court, an affidavit of withdrawal shall be filed no later than 5:00 p.m. on the day after the close of the filing period for those offices.*

Sec. 12. Minnesota Statutes 1976, Section 202A.52, is amended to read:

202A.52 [OFFICERS CHOSEN.] All elective ; state and county officers, judges of the supreme and district courts, members of the legislature, and senators and representatives in congress shall be elected at the general election next before the preceding the expiration of their respective terms thereof shall expire, and . At the general election held in the year preceding the expiration of a term of a president of the United States presidential electors shall also be chosen. *County officers and judges of the county court shall be elected on the local government election day; but, except as provided in article 1, section 2 and article 11, section 2, of this act the statutes governing the general election and the*

primary preceding the general election shall govern the regular and primary election of those officers and judges.

Sec. 13. Minnesota Statutes 1976, Section 203A.17, is amended to read:

203A.17 [BALLOTS, RECORDS, DISPOSITION.] The auditor of any county and the clerk of any municipality or school district may destroy all ballots, voters' certificates, and election returns, except the abstract of the canvassing board, at any time after one year from the date of the election wherein the ballots and election returns were used, except that all election returns involved in a contested election may not be destroyed until the contest has been finally determined. *Notwithstanding the provisions of section 138.163, the records authorized to be destroyed under this section are exempt from the preservation requirements of Minnesota Statutes, Chapter 138 and of Laws 1971, Chapter 529.*

Sec. 14. Minnesota Statutes 1976, Section 203A.31, Subdivision 1, is amended to read:

203A.31 [WHITE AND PINK BALLOTS.] Subdivision 1. [STATE WHITE BALLOT.] There shall be one ballot upon plain white paper, hereinafter called to be known as the "white ballot," upon which shall be printed names of all candidates for offices to be voted for throughout the state, including, but not to be restricted to, candidates for senator and representative in congress and candidates, for senator and representative in the legislature and for judge of the district court. The candidates for senator in congress shall be first on the white ballot, the candidates for representative in congress shall be second, candidates for senator in the legislature shall be third, and candidates for representative in the legislature shall be fourth. The candidates for state offices shall follow the candidates for representative in the legislature. Candidates for governor and lieutenant governor shall appear so that a single vote will apply to both offices.

Sec. 15. Minnesota Statutes 1976, Section 203A.32, is amended to read:

203A.32 [COUNTY AND DISTRICT BALLOTS.] Subdivision 1. [CANARY BALLOT.] There shall be one ballot on canary paper, hereinafter called the "canary ballot," upon which shall be printed The names of all candidates for office and all questions and propositions to be submitted that are not required by law to be placed on other ballots, including but not to be restricted to, the candidates for all county elective offices; and the candidates for the district and probate court offices shall be placed on one ballot on canary paper to be known as the canary ballot. This ballot shall be headed "County and District Non-partisan Ballot."

Subd. 1a. [GOLDENROD BALLOT.] All questions and propositions to be submitted to the voters that are not required to be placed on any other ballot shall be placed on one ballot on goldenrod paper to be known as the goldenrod ballot. This ballot shall be headed "County and District Proposition Ballot."

Subd. 2. [PREPARATION OF BALLOTS.] The canary ballot and goldenrod ballots shall be prepared under the direction of the county auditor, and the ballot shall be headed, "County and District Ballot."

Subd. 3. [SAMPLE BALLOTS, NOTICE.] Two weeks before the general any election at which the white, canary or goldenrod ballots are to be cast the auditor shall file a sample of the white each ballot and the canary ballot to be cast in his office for public inspection, and two weeks before the general election the auditor shall give one week's published notice of the contents of the official state ballot and the county and district each ballot. The auditor shall also supply each municipal clerk in the county with a sufficient number of samples of the white ballot and, before the local government election day the canary ballot, so that one copy of each sample ballot may be posted at each polling place in every municipality in the county. The county auditor shall cause to be posted in each polling place in any unorganized territory in the county a sample ballot of every ballot to be voted upon at that polling place, including a sample school district ballot.

Sec. 16. Minnesota Statutes 1976, Section 204A.05, Subdivision 1, is amended to read:

204A.05 [STATE ELECTIONS, HOURS FOR VOTING.] Subdivision 1. [OPENING AND CLOSING OF POLLS.] Except as otherwise provided in this section, at the general election and the primary election the polls in every precinct in the state shall open at 7:00 a.m., and they shall be kept open continuously until 8:00 p.m., at which time they shall close. The governing body of any municipality of less than 1,000 inhabitants, situated entirely outside the metropolitan area as defined in Minnesota Statutes 1965, section 473.02, Subdivision 5 473.121, subdivision 2, by resolution adopted 30 days prior to any general or primary election, may fix a time for the opening of the polls which may not be earlier than 7:00 a.m. nor later than 9:00 a.m. in the case of a general election, 5:00 p.m. in the case of a primary election. Resolutions adopted pursuant to this subdivision shall be effective for all ensuing general or primary elections until revoked. The governing body shall transmit a copy of the resolution to the secretary of state. Under no circumstances shall the ballot boxes be opened and the ballots counted before closing of the polls.

Sec. 17. Minnesota Statutes, 1977 Supplement, Section 204A.06, Subdivision 1b, is amended to read:

Subd. 1b. [PRECINCT BOUNDARIES; DESCRIPTION, MAPS.] The clerk shall file with the secretary of state and the state demographer in the state planning agency a map showing the correct boundaries of the precincts in the municipality and shall keep on file in his office for public inspection a copy of the map. At least 30 days before any change in a precinct or corporate boundary becomes effective, the clerk shall place on file for public inspection a map setting forth the revised precinct boundaries and forward copies to the secretary of state and the state demographer. For every election held in the municipality the clerk shall

furnish copies of the appropriate precinct map to the election judges for each polling place sufficient copies of the precinct map or of a precinct finder prepared in accordance with the rules of the secretary of state.

Sec. 18. Minnesota Statutes 1976, Section 204A.06, is amended by adding a subdivision to read:

Subd. 1c. [COORDINATION WITH SCHOOL DISTRICTS.] In the course of developing precinct boundaries, the council shall take into account the boundaries of each school district and the boundaries of election districts, if any, within each school district located within the municipality and shall consult with the board of each such school district and each municipality which includes territory of the school district before taking final action on designating the precinct boundaries.

Sec. 19. Minnesota Statutes 1976, Section 204A.09, Subdivision 1, is amended to read:

204A.09 [POLLING PLACES DESIGNATED.] Subdivision 1. **[METHOD.]** The council governing body of every municipality shall, by ordinance or resolution, designate the place of holding the election for each precinct; otherwise the election shall be held as near as may be to the place where the preceding election was held, subject to change before the opening of the polls as provided by law. *In order to more efficiently administer elections held in precincts split by school district or school district election district boundaries or in other precincts where a special need is determined, the governing body of any municipality may designate more than one polling place in a precinct.* In any statutory city or in any city of the third or fourth class, having more than one precinct, the council of the municipality may, by ordinance or resolution, provide for the holding of all elections in the municipality in some building centrally located therein, and the voters of the municipality may vote at such place so designated, irrespective of whether the voting place is actually located in their precinct or not. At the place so designated there shall be provided separate statutory voting facilities for each precinct, and the voting shall otherwise be conducted in the same manner as though the voting places were located in the respective precincts. The council governing body of any municipality may, by ordinance or resolution, designate a polling place for holding of elections for a specific precinct in a building outside the precinct, provided that the building must be located within 1500 feet one half mile of the precinct.

Sec. 20. Minnesota Statutes 1976, Section 204A.11, Subdivision 3, is amended to read:

Subd. 3. [BALLOT BOXES.] Each polling place shall be provided with one white, one pink, one canary, and one light green ballot box. As many of these ballot boxes shall be used at any election of each color as there are kinds colors of ballots to be voted upon at that election. Whenever buff ballot boxes are required, a separate box shall be provided for each school district for which ballots are to be cast at that polling place. The number of

the school district shall conspicuously appear on the top of each buff ballot box. Each box shall be of sufficient size, and with a sufficient opening, to receive and contain all the ballots likely to be placed therein.

Sec. 21. Minnesota Statutes 1976, Section 204A.11, is amended by adding a subdivision to read:

Subd. 5. [SAMPLE BALLOTS.] Each polling place shall be provided with a sample ballot for every ballot to be voted upon at that polling place. The sample ballots shall be posted in a prominent place in the polling place and be open to inspection by the voters during the time that the polling place is open.

Sec. 22. Minnesota Statutes 1976, Chapter 204A, is amended by adding a section to read:

[204A.245] [STATE REIMBURSEMENT OF LOCAL GOVERNMENT ELECTION DAY EXPENSES.] *Subdivision 1. [PURPOSE AND INTENT.] It is the purpose and intent of this section to provide money from the general fund of the state to reimburse cities, towns and counties for the costs of providing polling places and election judges, distributing absentee ballots and providing other general administrative services necessary to conduct the elections of the various political subdivisions which are held on the local government election day. Reimbursement provided under this section is not intended to assist in the payment of any expenses incurred by any political subdivision for purposes such as preparing ballots, accepting filings of candidates, canvassing returns or defending election contests.*

Subd. 2. [DUTIES OF SECRETARY OF STATE AND ELECTION OFFICIALS.] Not later than 60 days after the local government election day the secretary of state shall transmit to the commissioner of revenue a list of all towns, cities and counties in which votes were cast at any election held on the local government election day. The list shall show the number of persons who voted in each town, city and county and the number of persons voting in unorganized territory in each county. The secretary of state shall adopt rules setting forth the method by which information required to prepare this list shall be reported by local election officials. Local election officials shall report the required information in the manner provided by the rules of the secretary of state.

Subd. 3. [PAYMENT BY COMMISSIONER OF REVENUE.] The commissioner, upon receipt of the list described in subdivision 2, shall forthwith pay to each town, city and county the sum of \$1 for each person who voted in that town, city or unorganized territory of that county, or the sum of \$100, whichever is greater and, in addition, shall pay to each county the sum of 25 cents for each person who voted in that county, or the sum of \$250, whichever is greater. The commissioner of revenue may include any sum required to be paid to a city, town, or county under this section as a separate and additional item within any payment made by the commissioner to that city, town or county pursuant to section 477A.01, subdivision 4b.

Sec. 23. Minnesota Statutes 1976, Section 204A.29, is amended to read:

204A.29 [REGISTRATION, VOTER'S CERTIFICATE.] Subdivision 1. [FORM OF CERTIFICATE.] Wherever voters are registered under a permanent registration system before any person desiring to vote receives the ballots from the judges, a certificate containing the following information shall be signed by the applicant:

I hereby certify that I am permanently registered in accordance with the Minnesota Election Law and am voting only in this precinct.

(Signature of Voter)

School District No.:

(Address)

(Approved)

Judge of Election

Subd. 2. [VOTER'S CERTIFICATE, USE.] The certificate shall be approved by a judge who shall compare the signature on the voter's certificate with the signature as it appears on the duplicate registration card, and the judge shall record the fact of voting on the back of the duplicate registration card. *When the school district number is not placed on the certificate by the voter, a judge shall determine the correct school district number from information available to him and place that number on the certificate.* The certificate, having been approved, shall be handed to the voter who shall deliver it to the judge in charge of ballots as proof of his right to vote; and thereupon the judge shall hand to the voter the ballots.

Sec. 24. Minnesota Statutes 1976, Section 204A.40, Subdivision 2, is amended to read:

Subd. 2. [BALLOTS, ORDER OF CANVASS.] The ballot boxes shall be opened, the votes counted, and the results declared, one box at a time in the following order: the white box, the pink box, the canary box, the light green box, *the buff box*, and other kinds of ballots voted at the election except that if sufficient judges are available to provide counting teams of four or more judges evenly divided between the political parties for each box, an additional box or boxes may be opened and counted. The returns may not be finally prepared until the votes in all the boxes have been counted so as to allow corrections in case any errors have occurred by reason of the deposit of ballots in the wrong boxes.

Sec. 25. Minnesota Statutes 1976, Section 204A.45, Subdivision 1, is amended to read:

204A.45 [BALLOTS, DISPOSITION.] Subdivision 1. [ENVELOPES.] Except in cities of the first class and in counties having a population of 200,000 or more, after the canvass has been completed and in the presence of all the judges, the ballots cast shall be removed from the ballot boxes and placed in envelopes and sealed. Each judge shall write his name upon the envelope over the sealed part in such a way that the envelope cannot be opened without disturbing the continuity of the lines in the writing. The envelopes shall be of a heavy paper, of the same color as the ballots to be placed therein, and of a size suitable to hold all the ballots without folding. The official charged with printing the ballots shall furnish the envelopes required in this section; provided, however, that the official charged with printing the state pink ballot shall furnish the envelopes for the state pink ballot and the state white ballot. The number of ballots in each envelope, the kind thereof, the name of the town or city, and the number of the precinct shall be plainly written upon the envelopes. *The number of the district shall be plainly written upon any envelope containing school district ballots.* The unused and spoiled ballots or returns may not be placed in the envelopes.

Sec. 26. Minnesota Statutes 1976, Section 204A.47, Subdivision 2, is amended to read:

Subd. 2. [RETURNS AND MATERIALS, DELIVERY.] Except in first class cities one of the judges in each precinct shall deliver one set of the tally book and returns, all unused and spoiled white, pink, and canary ballots, one summary statement, two election registers; and the envelopes containing the white, pink, and canary ballots to the county auditor at his office within 24 hours after the closing of the polls. Another judge shall deliver the remaining set of the tally book and returns, all unused and spoiled municipal and school district ballots, the remaining summary statement, the remaining election register, the envelopes containing municipal and school district ballots and all other things furnished by the municipal clerk, to the municipal clerk at his office within 24 hours after the closing of the polls. *Delivery of ballots, returns and other materials pursuant to this subdivision shall be made immediately upon completion of the other duties of the judges as prescribed by chapter 204A. The county auditor or city clerk may permit delivery at a later time; but in no event shall the ballots, returns and other materials be delivered later than noon on the day following the election.*

Sec. 27. Minnesota Statutes 1976, Section 204A.49, is amended by adding a subdivision to read:

Subd. 3. [DISPOSITION OF SCHOOL DISTRICT RETURNS AND MATERIALS.] *The county auditor for any unorganized territory and the municipal clerk for any municipality in which a school district election is held shall deliver the summary statements of the school district election returns, all unused and spoiled school district ballots and the envelope containing the school district ballots from each precinct to the clerk of the appropriate school district within 24 hours after closing of the polls.*

Sec. 28. Minnesota Statutes 1976, Section 204A.51, Subdivision 2, is amended to read:

Subd. 2. [COUNTY CANVASS, PRIMARY ELECTION INFORMATION REQUIRED.] The board shall meet at the auditor's office at 10:00 a.m. on or before the third day after the primary election, take the oath of office, and publicly canvass the returns of the election made to the county auditor. The board shall complete the canvass of the primary preceding the local government election day within two days after the election, and of the primary before the general election, by the evening of the sixth day following the election, and it shall forthwith make the following report and file the same with the county auditor:

(a) A statement for each political party showing the names of all candidates thereof voted for at the primary election, the number of votes received by each, in each precinct and in the county, and for what office;

(b) A statement showing the names of candidates of each political party who are nominated;

(c) A statement of the total number of persons who voted at the election in the county, and in each precinct, and the number of ballots counted in each precinct, and in the county;

(d) A statement of the number of persons registering to vote on election day and the number of persons registered prior to election day; and

(e) A statement of the votes received by each of the nonpartisan candidates in each precinct in the county and the names of the nonpartisan candidates nominated. If any candidates receive an equal number of votes for the same nomination, the canvassing board shall determine the tie by lot. Upon completion of the canvass, the county auditor shall forthwith certify to the secretary of state the vote, as shown by the report of the county canvassing board, for all candidates to be voted for in more than one county, and he shall mail or deliver to each nominee who is to be voted for in his county only, a notice of his nomination and that his name will be placed upon the general election ballot.

If the difference between the votes of two or more candidates for legislative office which lies within a single county is 100 or less and the difference determines one or more nominations, the canvassing board shall recount the votes. A recount shall not delay any other part of the report of the board and shall be reported and certified as soon as possible. Time for notice of a contest of an election which is recounted shall begin to run upon completion of the recount and canvass for that office.

Sec. 29. Minnesota Statutes 1976, Section 204A.53, Subdivision 1, is amended to read:

204A.53 [STATE CANVASSING BOARD.] Subdivision 1. [MEMBERSHIP.] The secretary of state shall call to his assistance two judges of the supreme court and two judges of the district court none of whom may be candidates at the election, and the

judges together with the secretary of state shall constitute the state canvassing board. The board shall meet at the office of the secretary of state on the second Tuesday after the primary and general election, except as otherwise provided for special elections. *When required to canvass any returns from the primary preceding the local government election day, the board shall meet no later than the first Tuesday after that primary.* When a vacancy in the membership of the state canvassing board occurs by reason of the failure of any judge to attend the meeting of the board on the day appointed, the secretary of state shall fill the vacancy by selecting another disinterested judge from either court, but not more than two judges of the supreme court shall serve upon the canvassing board at any one time.

Sec. 30. Minnesota Statutes 1976, Section 206.09, is amended to read:

206.09 [BALLOT LABELS; DIAGRAMS FOR VOTING MACHINES.] *Subdivision 1. [DUTY TO PROVIDE.]* The same authorities as are charged with providing paper ballots when such are used shall be required to provide all ballots, ballot labels and ballot cards, diagrams, sample ballots, return sheets and all other necessary supplies needed for the voting machines or electronic voting systems.

Subd. 2. [STATE BALLOTS AND FORMS.] In state and county general elections *At the general election* the county auditor of each county in which voting machines or electronic voting systems are used shall provide all ballots, ballot labels, ballot cards, and other necessary printed forms and supplies needed for the voting machines, including all such forms needed for placing on such voting machines, all officers, candidates and constitutional amendments and other questions and propositions, the ballots for which are required by the election laws *law* to be provided by the state when paper ballots are used. The total cost of printing and providing all such forms shall be prorated by each county auditor so that paid by the state and county will pay each its proportionate share based on the total number of candidates and questions under the jurisdiction of each. The state shall pay to the county its proportionate share of such cost as herein provided, all notwithstanding any provisions of the statutes of this state notwithstanding *law to the contrary*.

Subd. 3. [COLORS; SIZE OF TYPE.] Except as herein otherwise provided in this section all partisan ballots (or ballot labels) shall be printed in black ink on clear white material and non-partisan ballots on canary yellow material of such size as will fit the ballot frame of the voting machine or as will conform to the requirements of electronic voting systems where used, and in as plain clear type as the space will reasonably permit. A space of one inch or more may be used between partisan and nonpartisan ballots. Candidates' names may be set in as large type as the length of the majority of such names of all candidates on the ballot permits and the remaining candidates' names may be set in such smaller sizes or styles of type as the length of each such name re-

quires based on the available space in the frame of the voting machine or the space available on any card, paper, booklet or pages.

Subd. 4. [PARTISAN PRIMARY; COLOR, FORM.] In primary elections where electronic voting systems are used, the ballot pages for the partisan primary ballots may be different colors or may be otherwise distinctively differentiated as between parties and all pages of the partisan primary ballot of a single party shall be consecutive without the intervention of any pages of any other party. In a prominent place on such ballots there shall be conspicuously printed a notice stating in substance the effect of attempting to vote in more than one partisan primary. Preparation of separate ballots for use on separate marking devices, each ballot containing the partisan primary ballot of only one party, shall also be permitted. Candidates' names may be set in as large type as the length of the majority of such names of all candidates on the ballot permits and the remaining candidates' names may be set in such smaller sizes or styles of type as the length of each such name requires based upon the available space in the frame of the voting machine or upon the space available on any card, paper, booklet, or pages.

Subd. 5. [CONSTITUTIONAL QUESTIONS; PROPOSITIONS; COLORS, FORM.] Ballots { or ballot labels } for constitutional amendments or that portion of the ballot containing constitutional amendments shall be printed on material tinted pink. In a prominent place on such ballots, there shall be conspicuously printed a notice stating in substance that if a voter fails to vote on a constitutional amendment he votes, in effect, in the negative. Ballots { or ballot labels } for other questions shall be printed on material so tinted as to conform with the laws relating to paper ballots.

Subd. 6. [LOCAL GOVERNMENT ELECTION DAY; COLORS.] For elections held on the local government election day all ballots or ballot labels shall be printed on the same color as required for paper ballots of that kind. The ballots or ballot labels shall appear on the voting machine in the following order: municipal light orange ballots, canary ballots, municipal light green ballots, and school district buff ballots. Proposition ballots for any unit of government shall appear immediately adjacent to the candidate ballots of that unit of government as far as possible.

Subd. 7. [SAMPLE BALLOTS.] The authorities charged with the duty of providing ballots for any polling place where voting machines are used shall provide therefor at least two sample ballots which shall be arranged in the form of a diagram showing such part of the face of the voting machine as shall be in use at that election for voting for all candidates whose names are entitled to be placed on the ballot at such election and shall also show such part of the face of the voting machine as shall be in use for voting for all referendum questions, constitutional amendments, or other propositions; the proper authorities shall provide at least two sample ballots, ballot cards, or ballot labels which shall be arranged in the form of a diagram showing the ballot label containing the names of all candidates and propositions to

be voted upon at that election in each polling place. Candidates' names shall not be rotated on such sample ballots but shall be arranged in alphabetical order for all offices where rotation of names on the official ballots on the voting machines is required by law. Such sample ballots shall be either in full or reduced size and shall contain suitable illustrated directions for voting on the voting machine, or for operating a marking device, or such illustrated instructions shall be provided on a separate poster, to be posted adjacent to each sample ballot. Not less than two such sample ballots shall be posted in a prominent place in the polling place and shall remain open to inspection by the voters throughout the election day.

The county auditor may use a one inch or more space between partisan and nonpartisan ballots, but in all cases a canary yellow color shall be used as background color on the nonpartisan ballots.

Sec. 31. Minnesota Statutes 1976, Section 206.21, Subdivision 3, is amended to read:

Subd. 3. [OPENING OF MACHINES.] The voting machine shall remain locked against use for a period of at least 30 days and as much longer as may be necessary or advisable because of any existing or threatened contest over the result of the election, except that at any time, upon the order of any judge of a court having jurisdiction any voting machine may be opened and all data and figures therein examined; provided, that any voting machines used at an election may be opened ten days following such election for an election which is to be held on a day which is within 50 days after the day upon which such election is held; provided, further, that any voting machine used at a primary election, or a general election, in a statutory city may be opened ten days following such primary election and 20 days following such general election if such opening becomes necessary in order to prepare the voting machines so used at such primary election or general election for a statutory city election which is to be held on a day which is within 30 days after the day upon which such primary or general election is held.

Sec. 32. Minnesota Statutes, 1977 Supplement, Section 207.02, is amended to read:

207.02 [VOTING BY MAIL.] Any person entitled to vote at any general election; any primary election, any city election, or any statutory city or town election in statutory cities or towns operating under the "Australian Ballot System," who is absent on the day such election is held from the precinct in which he is entitled to vote, or who by reason of illness or physical disability or because of religious discipline or observance of a religious holiday is unable to go to the polling place of such precinct, or who is employed as a judge of election in a precinct other than his own, may vote therein by having his ballot delivered to the election board of such precinct on the day of such election, either by mail or by the clerk of the municipality in which such precinct is situated as provided for in sections 207.08 and 207.101, and

by complying with the provisions of this chapter. No person residing in a municipality now or hereafter having permanent registration of voters, as provided by chapter 201, shall be permitted to so vote unless he has registered as a voter in accordance with such provisions or registers on election day by enclosing a completed registration card with his ballot.

Sec. 33. Minnesota Statutes, 1977 Supplement, Section 207.03, Subdivision 1, is amended to read:

207.03 [APPLICATION FOR BALLOTS.] Subdivision 1. At any time not more than 45 days or less than one day before the day of holding any election, any person may make application in writing subscribed by him to: (a) the auditor of the county in which the applicant is a resident; (b) the full time clerk of a municipality designated by the county auditor if the applicant is a resident of that municipality; or (c) the full time clerk of a municipality which has requested designation by the county auditor if the applicant is a resident of that municipality, for ballots and envelopes, by mailing to or filing with such auditor or such clerk an application substantially in the following form:

"APPLICATION FOR BALLOTS

The undersigned, a duly qualified voter in the County of, State of Minnesota, and in School District No., residing at..... (here insert street and number) in said city, or town, because of (absence from home)....., (illness)....., (physical disability)....., (because of religious discipline or observance of a religious holiday) hereby makes application for the ballots to be voted upon in said precinct at the next election. Please mail said ballots and accompanying envelope to me at..... (insert post office address to which to be sent).....

Dated....., 19.....
.....

(Signature of Applicant)"

An application need not be on an official or standard form. An application submitted by mail shall be accepted if it contains the information above.

If a person applies in person for an absentee ballot and must register by enclosing a completed registration card with his ballot, his application shall not be accepted unless he shall present, at the time of his application, proof of residence as required by section 201.061, subdivision 3.

Sec. 34. Minnesota Statutes 1976, Section 207.04, is amended to read:

207.04 [COUNTY AUDITOR; MUNICIPAL CLERK TO BE SUPPLIED WITH BALLOTS.] The several officers charged by law with the preparation, printing, and distribution of ballots shall, at least 15 days before any election, print and deliver to

the county auditor and to the municipal clerk a sufficient number of the ballots printed under their supervision, respectively, to enable the auditor and the municipal clerk to comply with the provisions of this chapter. ~~It shall be the duty of The county auditor and , the municipal clerk to and the clerk of any school or hospital district shall each prepare and print the ballots prepared under his direction for their respective jurisdictions at least 15 days before such election.~~

Sec. 35. Minnesota Statutes, 1977 Supplement, Section 207.05, Subdivision 1, is amended to read:

207.05 [APPLICATIONS FILED WITH AUDITOR OR MUNICIPAL CLERK; DELIVERY OF BALLOT.] Subdivision 1. [APPLICATION, DELIVERY.] If any application is made either in person or by mail more than 30 days before election, the auditor or the municipal clerk shall file the same and forthwith on the delivery to him of the ballots, shall mail to the applicant without charge, at the address specified in the application one each of the several ballots the applicant is entitled to vote upon at the next election; also the envelope hereinafter specified. If the application is made within 30 days of the election, he shall forthwith upon receipt of such application or as soon thereafter as ballots are available, mail, or deliver to the applicant, without charge, if he apply therefor in person, in the manner provided in section 207.03, one each of the several ballots the applicant is entitled to vote upon at the next election; also the envelopes hereinafter specified. The provisions of this subdivision shall not be construed to require mailing of absentee ballots to applicants to whom delivery by election judges is required pursuant to section 207.31. *The auditor or municipal clerk shall not be required to mail or deliver any school district ballot to any applicant if the auditor or clerk cannot determine the school district in which the applicant resides.*

Sec. 36. Minnesota Statutes 1976, Section 207.151, is amended to read:

207.151 [TOWN ELECTIONS AND LOCAL SPECIAL ELECTIONS, DUTIES OF CLERK.] In the case of ~~city elections in all cities or town elections in all towns operating under the "Australian Ballot System"~~ *held at the annual town meeting, and any special election held by any city, school district or other political subdivision at a time other than at the general election, the local government election day or the primary before either of those elections, voters' applications for ballots shall be filed with the city or town clerk , of the town or city in which the voter resides.* No fees shall be required to be paid therefor, and the duties prescribed in this chapter for the county auditor shall be performed by the city or town clerk, provided, however, that such duties may be, upon agreement, combined and performed by one of such officers. The cost of carrying out the provisions of this chapter for any such ~~city or town election shall be paid by the city or town in political subdivision for which the same is held.~~

Sec. 37. Minnesota Statutes 1976, Section 209.02, Subdivision 1, is amended to read:

209.02 [ELECTION CONTESTS.] Subdivision 1. [CONTEST, WHO MAY INSTITUTE, GROUNDS.] Any voter, including a candidate, may contest the nomination or election of any person for whom he had the right to vote, who is declared nominated or elected to the senate or the house of representatives of the United States, to a state, county, legislative, or municipal, school district, or district court office, or may contest the declared result of a constitutional amendment or other question voted upon at an election by proceeding as provided in this chapter. The contest may be brought over an irregularity in the conduct of an election or canvass of votes or on the grounds of deliberate, serious, and material violations of the provisions of the Minnesota election law.

Sec. 38. Minnesota Statutes 1976, Section 209.02, Subdivision 3, is amended to read:

Subd. 3. [NOTICE OF CONTEST, FILING, SERVICE.] The notice of contest shall be filed within seven days after the canvass is completed, except that if the contest relates to a primary election, the time for filing the notice of contest shall be limited to five three days. Within the same period copies thereof shall be served upon the candidate whose election is contested and upon the official authorized to issue the certificate of election. When the contest relates to a constitutional amendment or other question to be voted for statewide or to a question to be voted for in more than one county, the secretary of state shall be designated the contestee, and a copy of the notice of contest shall be served upon him within seven days, or five three days in the case of a primary, after the canvass is completed. When the contest relates to a question that affects a single county or a single municipality, or school district, the county auditor or the clerk of the municipality, or the clerk of the school district, as the case may be, shall be designated the contestee, and a copy of the notice of contest shall be served upon him within seven days, or five three days in the case of a primary, after the canvass is completed. In all cases where the contest relates to an irregularity in the conduct of the election or canvass of votes, a copy of the notice of contest shall also be served within seven days, or five three days in the case of a primary, after the canvass is completed upon the county auditor of the county in which the irregularity is said to have existed.

Sec. 39. Minnesota Statutes 1976, Chapter 210A, is amended by adding a section to read:

[210A.015] [EXEMPTION FOR SCHOOL DISTRICT ELECTIONS.] *Except for the provisions of sections 210A.03, 210A.05, subdivision 1, 210A.10 and 210A.11, subdivision 2, none of the provisions of chapter 210A shall apply to any school district election.*

Sec. 40. Laws 1978, Chapter 456, Section 1, Subdivision 4, is amended to read:

Subd. 4. [NOVEMBER ELECTION.] "November election" means (a) the general election in even numbered years or (b) the first Tuesday after the first Monday in November of local government election day in odd numbered years.

ARTICLE IV

ORGANIC LAWS; SOIL AND WATER CONSERVATION DISTRICTS, SCHOOL DISTRICTS, PARK DISTRICTS, HOSPITAL DISTRICTS, COUNTIES, COUNTY AND MUNICIPAL COURTS, HOME RULE CHARTER CITIES

Section 1. Minnesota Statutes 1976, Section 40.05, Subdivision 1, is amended to read:

40.05 [THREE SUPERVISORS ELECTED FOR EACH DISTRICT.] Subdivision 1. Within 30 days after the date of issuance by the secretary of state of a certificate of organization of a soil and water conservation district, or such further time as the state soil and water conservation board may allow, nominating petitions may be filed with the state soil and water conservation board nominating legal voters as candidates for election as supervisors of such district, two for terms to expire on ~~December 31~~ *the first Monday in January* following the second *general regular* election after their initial election, and one for a term to expire on ~~December 31~~ *the first Monday in January* following the third *general regular* election after their initial election. Each petition must be subscribed by one or more legal voters of the district. No person shall sign petitions nominating more than three candidates and if he does his signature shall not be counted on any petition. The state board shall give due notice of the time and place where the election of three supervisors shall be held in the district, and shall specify therein the names of all candidates and the terms for which nominated. The state board shall prepare ballots for such election with the surnames of the candidates printed thereon in alphabetical order for each term and a square before each name and a direction to insert an X mark in the square before three names with different terms to indicate the voter's choice. All legal voters shall be eligible to vote at such election. The three candidates who shall receive the highest numbers respectively of the votes cast at such election shall be the elected supervisors for the district. In case of a tie, the election shall be determined by lot, under the direction of the state board. The state board shall supervise such election, pay all the expenses thereof, prescribe the regulations governing the same, determine the eligibility of voters and publish the results.

Sec. 2. Minnesota Statutes 1976, Section 40.05, Subdivision 3, is amended to read:

Subd. 3. After December 31, 1972, and for the elections required by subdivision 2, all elections except that provided for the organization of the district, in subdivision 1, shall be held at the time and place of holding the general election, as defined in section 280.82, subdivision 2 on the local government election day designated pursuant to article I, section 2 of this act. ~~No primary election shall be held.~~ Election of supervisors of the soil and water conservation district shall be by inclusion on the "canary ballot," as described in section 203A.32. Nominating petitions conforming to the rules stated in subdivision 1 shall be filed with the secretary of the soil and water conservation district at

least 60 days before the time of holding the general election during the time for filing prescribed by article 1, section 2, subdivision 6 of this act. At least 45 40 days before the general primary election the district secretary shall submit the names of the candidates and the terms for which nominated to the appropriate county auditor. The ballots for use at the election shall be prepared by the county auditor. All laws relating to county elective office elections shall govern insofar as applicable. The county auditor shall certify the result to the state soil and water conservation board, and if the soil and water conservation district embraces land in more than one county the county auditor shall forthwith certify to the state soil and water conservation board the vote, as shown by the report of the county canvassing board, for all candidates voted for in more than one county. In the latter case the state soil and water conservation board shall certify the results of the election and publish the result.

Sec. 3. Minnesota Statutes 1976, Section 40.05, Subdivision 4, is amended to read:

Subd. 4. If a vacancy except by reason of expiration of term shall occur in the office of an elected supervisor, more than 60 days 13 weeks before the next succeeding general regular election, the governing body of the district shall fill the vacancy by appointment; and the supervisor appointed shall hold office until December 31 the first Monday in January following the next succeeding general regular election. If the term does not then expire, his successor shall be elected at the next succeeding general regular election following the appointment and hold office for the remainder of the term. If a vacancy except by reason of expiration of term shall occur in such office less than 60 days 13 weeks before the next succeeding general regular election, the governing body of the district shall fill the vacancy by appointment; and the supervisor shall hold office until the expiration of the term or until December 31 the first Monday in January following the second succeeding general regular election, whichever is the shortest term, when his successors shall be elected and hold office for the remainder of the term.

Sec. 4. Minnesota Statutes 1976, Section 40.06, Subdivision 1, is amended to read:

40.06 [SUPERVISORS.] Subdivision 1. [MEMBERS; ELECTION, APPOINTMENT.] The governing body of the district shall consist of five supervisors, elected or appointed as herein provided in section 40.06. All supervisors shall be legal voters residing within the district. The two supervisors appointed by the state board upon the creation of the district as hereinbefore provided shall serve for terms ending on December 31 the first Monday in January following the next succeeding general regular election after their appointment, and thereafter their successors shall be elected for terms of six years.

Sec. 5. Minnesota Statutes 1976, Section 122.23, Subdivision 12, is amended to read:

Subd. 12. The county auditor shall determine the date of the

election, the number of boundaries of voting precincts, and the location of the polling places where voting shall be conducted, and the hours the polls will be open. He shall provide official ballots which shall be used exclusively and shall be in the following form:

For consolidation

Against consolidation

He shall appoint three election judges for each polling place who shall act as clerks of election. The county ~~may~~ shall pay these election judges not to exceed \$1 per hour *an amount fixed by the county board*. The ballots and results shall be certified to the county auditor who shall canvass and tabulate the total vote cast for and against the proposal.

Sec. 6. Minnesota Statutes 1976, Section 122.23, Subdivision 17, is amended to read:

Subd. 17. If all of the territory of one and only one independent district maintaining a secondary school is included in the new independent district, the board of that previously existing independent district shall assume the duties and responsibilities of the board of the newly organized district for the balance of the term to which the members were elected. At the next *annual regular school district* election the successors to the members whose terms then expire shall be elected by the legally qualified voters of the newly organized district. Thereafter, board members shall be elected according to the election procedure established for the election of board members in independent districts.

Sec. 7. Minnesota Statutes 1976, Section 122.23, Subdivision 18, is amended to read:

Subd. 18. (a) If no board is provided for under the foregoing provision, upon receipt of the assigned identification number, the county auditor shall determine a date, not less than 20 nor more than 60 days from the date of the receipt by him of the assigned identification number, upon which date shall be held a special election in the district for the purpose of electing a board of six members for terms as follows: ~~two three~~ until *July the first Monday in January* following the next *annual regular school district* election; ~~two~~ until the expiration of one year from said *July 1*, and ~~two~~ until the expiration of two years from said *July 1* and ~~three~~ until *the first Monday in January following the second succeeding regular school district election*, to hold office until a successor is elected and qualifies according to provisions of law governing the election of board members in independent districts.

(b) The county auditor shall give ten days' posted notice of election in the area which the election is to be held and also if there be a newspaper published in the proposed new district, one week's published notice shall be given. The notice shall specify the time, place and purpose of the election.

(c) The county ~~may~~ shall pay the election judges not to exceed \$1 per hour for their services *an amount fixed by the county board*.

(d) Any person desiring to be a candidate for a school election shall file an application affidavit with the county auditor to have his name placed on the ballot for such office, specifying the term for which the application affidavit is made. The application affidavit shall be filed not less than 12 days before the election.

(e) The county auditor shall prepare, at the expense of the county, necessary ballots for the election of officers, placing thereon the names of the proposed candidates for each office. The ballots shall be marked and signed as official ballots and shall be used exclusively at the election. The county auditor shall determine the number of voting precincts and the boundaries of each. He shall determine the location of polling places and the hours the polls shall be open. He shall appoint three election judges for each polling place who shall act as clerks of election. Election judges shall certify ballots and results to the county auditor for tabulation and canvass.

(f) Upon canvass and tabulation by the county auditor he shall issue a certificate of election to the candidate for each office who received the largest number of votes cast for the office. He shall deliver such certificate to the person entitled thereto by registered mail, and each person so certified shall file an acceptance and oath of office with the county auditor within 30 days of the date of mailing of the certificate. A person who fails to qualify prior to the time specified shall be deemed to have refused to serve, but such filing may be made at any time before action to fill vacancy has been taken.

(g) The board of each district included in the new enlarged district shall continue to maintain school therein until July 1 next following, but such boards shall have power and authority only to make such contracts and to do such things as are necessary to maintain properly the schools for the period they may be in session prior to said first day of July.

(h) It shall be the immediate duty of the newly elected board of the new enlarged district, when the members thereof have qualified and the board has been organized, to plan for the maintenance of the school or schools of the new district for the next school year and to enter into the necessary contracts for the employment of personnel, purchase of equipment and supplies, and other acquisition and betterment purposes and when authorized by the voters to issue bonds under the provisions of chapter 475; and on said July 1 to assume the full duties of the care, management and control of the new enlarged district. The board of the new enlarged district shall give due consideration to the feasibility of maintaining such existing attendance centers and of establishing such other attendance centers, especially in rural areas, as will afford equitable and efficient school administration and assure the convenience and welfare of the pupils residing in the enlarged district.

Sec. 8. Minnesota Statutes 1976, Section 122.25, Subdivision 2, is amended to read:

Subd. 2. At the annual meeting, if a majority of the votes cast

on the question favors the conversion to an independent district, a board of six members shall be elected. Nominations may be made from the floor of the meeting and election shall be by secret ballot. All board members elected at this meeting shall serve for terms expiring on the third Tuesday in May next *first Monday in January* following the *next regular school district election on which date a regular annual election shall be held in the manner provided by law* . At this first annual *the next regular election* for independent districts, six directors shall be elected, *two three* to hold office until July 1 following the *next annual election*; *two to hold office until the expiration of one year from said July 1 and two to hold office until the expiration of two years from said July 1 for a term of two years and three for a term of four years* ; the time which each director shall hold office being designated on the ballot.

Sec. 9. Minnesota Statutes 1976, Section 122.26, Subdivision 4, is amended to read:

Subd. 4. Upon conversion, the district shall continue to be governed by the board until the next annual *regular* election for independent districts, at which election, seven board members shall be elected, three for a *one year term*; *two for a two year term*; and *two for a three year term*; and all until successors are elected and qualified *term of two years and four for a term of four years* . Provided, however, that in districts which are converted and lie wholly or partly within a city of the first class, the election procedure shall be as follows:

In such districts, there shall be seven board members elected for a six-year term at the same time as the municipal elections are held, and the terms shall commence as of the same date as for independent districts generally. All candidates for board members shall file for office in the manner provided for municipal officers and a number of candidates equal to twice the number of board vacancies shall be nominated at the municipal primary election. All provisions of law relating to such municipal elections shall apply to school elections *regular school district election* . In such districts, which had seven members on the board, such board shall continue to hold office until the expiration of their terms, and until their successors are elected and qualify for *new six year terms* . In such districts which had nine members on their board, the members shall continue to hold office until their successors are elected and qualify under the following procedure:

As of *June 30 the first Monday in January* , following the first school election occurring after the conversion, the terms of office of the six members with the shortest time left to serve shall expire and there shall be elected at such school election two members for a four-year term, and two members for a six-year term, and, as of *June 30 the first Monday in January* , following the next school election occurring thereafter, the terms of the last three members of the prior board shall expire, and three members shall be elected at such election for a six-year term.

Sec. 10. Minnesota Statutes 1976, Section 122.26, Subdivision 5, is amended to read:

Subd. 5. If a district is divided into separate election districts at the time of its conversion under this section, the board, before the election of the new board, may, by resolution, provide for election districts for the election of the new board, specifying the terms as ~~one, two, or three~~ *two or four* years, to which members from each election district ~~{~~ , or at large district ~~}~~ , shall be elected at the first election. Such election districts shall continue thereafter until changed pursuant to law. In the event the resolution is not adopted, providing for such districts, the members of the new board shall be elected at large.

Sec. 11. Minnesota Statutes 1976, Section 122.26, Subdivision 22, is amended to read:

Subd. 22. If the people of a special district located in any county containing more than 5,000 square miles desire to change their organization to an independent district they may proceed in accordance with this subdivision.

(1) The governing body of any special district, may, and upon the filing of a petition with the clerk of the district executed by at least 200 of the qualified voters of the district shall, by resolution, order a vote to be taken on the question of such conversion at a special election called for the purpose not less than 15 nor more than 60 days from the date of the resolution. The special election notice shall specify the question to be voted on and shall be given one week's published notice and ten days' posted notice in the district.

(2) If a majority of the votes cast at the election on the question approve the proposed conversion, the clerk of the district shall forthwith certify the results to the commissioner who shall, by order, assign an identification number to the district and determine a date not later than July 1 next following the election for the effective date of the change.

(3) If the special district is governed by a board of education, such board shall continue to hold office until the next ~~annual~~ *regular* election for independent districts, ~~to be held under the provisions of law governing annual elections, at which election seven members of the independent district shall be elected, three for a one year term, two for a two year term and two for a three year term until successors are elected and qualify~~ *term of two years and four for a term of four years*.

(4) If a district is divided into separate election districts at the time of its conversion under this section such districts shall be continued and the board before the election of a new board shall specify the terms as ~~one, two or three~~ *four* years to which members from each district shall be elected at the first election or the board may by resolution declare that members shall be elected at large.

(5) As of the effective date of the conversion effected under this section, all special laws and charter provisions relating to the converted district are repealed and the organization, operation, maintenance and conduct of the affairs of the district shall be governed by general laws relating to independent districts.

(6) As of the date of the election, if a majority of votes cast on the question favor the conversion to an independent district, the special district is dissolved and a new independent district is created. Title to all of the property, real and personal, of the dissolved district passes to the independent district and all current outstanding contractual obligations, including the bonded indebtedness, if any, of the special district, together with any legally valid and enforceable claims against the dissolved district are imposed on the new independent district.

(7) In any municipality where an existing pension law is applicable to employees of a special district such law shall continue to be applicable to the same extent to employees of the successor district.

(8) In any municipality where existing civil service provisions of any law or charter are applicable to special district employees, such provisions shall continue to be applicable in the same manner and to the same extent to employees of the successor district.

Such districts shall contract with the cities in which located for such facilities as are furnished by the civil service bureau, and unless the board and city governing body each adopts a resolution declaring that a particular function would be most efficiently and effectively handled separately, the board shall contract on a pro rata cost basis with the city for such facilities and services as are provided by the purchasing department comptroller, legal department and other services supplied by such cities, provided, however, that the board may contract for other legal services when the interests of such district and such city are in conflict in any legal matter and provided further that such board may contract for architectural services for the planning and construction of new school buildings when funds have been made available for construction of such school buildings.

Sec. 12. Minnesota Statutes 1976, Section 123.12, Subdivision 1, is amended to read:

123.12 [BOARDS OF COMMON SCHOOL DISTRICTS.]
Subdivision 1. The care, management and control of a common district is vested in a board of three members to be known as the school board. The term of office of a member shall be ~~three~~ *four* years, and until his successor qualifies. The board of each common district shall consist of a chairman, a treasurer, and a clerk. The board may by resolution establish a time and place for regular meeting and no notice of such meeting need be sent to any members of the board.

Sec. 13. Minnesota Statutes 1976, Section 123.12, Subdivision 5, is amended to read:

Subd. 5. Any other vacancy in a board shall be filled by the board at any regular meeting thereof or by a special meeting called for the purposes until such vacancy can be filled by election at the next ~~annual meeting or regular~~ *annual meeting or regular* election. Such appointment shall be evidenced by a resolution entered in the minutes. All elections to fill vacancies shall be for the unexpired term.

Sec. 14. Minnesota Statutes 1976, Section 123.32, Subdivision 9, is amended to read:

Subd. 9. Any independent district may for the purpose of the election of board members alter its organization into separate election districts by the following procedure provided in subdivisions 9 to 21. Except for any part of an election district boundary which is formed by the boundary of the school district, every election district boundary established pursuant to subdivisions 9 to 21 shall follow visible, clearly recognizable physical features as defined in section 204A.06, subdivision 4, and, as far as practicable, shall follow the boundaries of city and town election precincts established pursuant to sections 204A.06 to 204A.08. The board shall consult with city councils and town boards before taking final action designating election district boundaries.

Sec. 15. Minnesota Statutes 1976, Section 123.32, Subdivision 13, is amended to read:

Subd. 13. The board shall designate each election district by number and by a metes and bounds description sufficient and adequate to permit identification of the geographical limits of the area.

Sec. 16. Minnesota Statutes 1976, Section 123.32, Subdivision 23, is amended to read:

Subd. 23. (1) Unless action is taken by the board under subparagraphs (2) and (3) of this subdivision, in a district which is reclassified to an independent district from a county district or a common district containing ten or more townships, by provisions of this code, the board of such district shall continue to govern the district until July 1 following the next annual election as provided for independent districts, at which election six members shall be elected at large from the district, two members for a one year term from July 1 next following the election, two members for a two year term from said July 1, and two members for a three year term from said July 1, to serve until a successor is elected and qualifies; if such district is reclassified to an independent district from a common district of ten or more townships containing less than ten schools, the board of such district shall continue to govern the district, and the members presently serving shall continue to the end of their term. At the next annual election of school board members following July 1 following the adoption of the code, two members shall be elected for a three year term and one member for a two year term each commencing on July 1 next following the election. Thereafter, members shall be elected as in independent districts.

(2) In any district which is *was* reclassified from a common district of ten or more townships to an independent district by the provisions of this code, the regular election of the board members may be held biennially concurrently with the general elections in the areas by resolution of the board made within 90 days of the adoption of this code. Board members presently serving shall continue in office until the expiration of the term to which they were elected. At the next general election following the adoption of the code, board members shall be elected to fill all vacancies then oc-

curing and any vacancies caused by reclassification to an independent district. Provided that three board members shall be elected for a term of four years each and any necessary additional board members shall be elected for a term of two years each, to serve until a successor is elected and qualifies on the local government election day designated pursuant to article 1, section 2 of this act. The term of members shall commence on the first Monday in January following the general regular election and shall be for four years. Thereafter, three members shall be elected at each general election for a term of four years from the first Monday in January following the general election.

(3) If a reclassified district was a county district and if the board of such district determines, by resolution, to retain its organization providing for area representation and a five man board, a resolution affecting such organization may be adopted by the board at any time before 30 days before the next election following the effective date of this code. The resolution, if adopted, shall divide the district into five election districts coterminous with the county commissioner districts, and shall specify the terms to which members from each election district shall be elected so as to provide for a continuation of the present organizational structure of the board.

(2) In a district which is *was* reclassified to an independent school district from a county district by provisions of this code, the regular election of board members may shall be held biennially on the local government election day designated pursuant to article 1, section 2 of this act from county commissioner districts as now established concurrently with the general elections in the areas upon resolution of the board adopted at least 30 days before the election next following the effective date of this code. If such a resolution is adopted board members presently serving shall continue in office until the expiration of the term to which they were elected to serve until a successor is elected and qualified. Thereafter, . Vacancies caused by expiration of term shall be filled at each general regular election for a term of four years from the first Monday in January following the general regular election. Districts reclassified as independent districts that were county districts shall also have the powers and duties contained in sections 128.03 to 128.06 in addition to their status as an independent district.

Sec. 17. Minnesota Statutes 1976, Section 123.33, Subdivision 1, is amended to read:

123.33 [BOARDS OF INDEPENDENT SCHOOL DISTRICTS.] Subdivision 1. The care, management, and control of independent districts shall be vested in a board of directors, to be known as the school board. The term of office of a member shall be ~~three~~ four years and until his successor qualifies. The membership of the school board shall consist of six elected directors together with such ex officio member as may be provided by law. But the board may submit to the electors at any school election the question whether the board shall consist of seven members and if a majority of those voting on the proposition favor a seven member

board, a seventh member shall be elected at the next election of directors for a ~~three year~~ *four year* term and thereafter the board shall consist of seven members.

Sec. 18. Minnesota Statutes 1976, Section 123.33, Subdivision 4, is amended to read:

Subd. 4. Any other vacancy in a board shall be filled by the board at any regular or special meeting thereof. Such appointment shall be evidenced by a resolution entered in the minutes. *When such a vacancy occurs more than 14 weeks before the regular school district election next succeeding the election of the member whose office has become vacant, an appointment to fill the vacancy shall continue until the first Monday in January of the next even numbered year and the remainder of the unexpired term shall be filled by a special election at the regular election. In the case of any other vacancy filled under this subdivision, the appointment shall continue until July 1 next following such appointment. All elections to fill vacancies shall be for the remainder of the unexpired term. A candidate to fill a vacancy at a special election shall not run at large but shall file and appear on the ballot as a candidate "to fill the vacancy created (the date the vacancy occurred), for the term expiring"*

Sec. 19. Minnesota Statutes 1976, Section 123.34, Subdivision 1, is amended to read:

123.34 [OFFICERS OF INDEPENDENT SCHOOL DISTRICTS.] Subdivision 1. Within ten days after the election of the first board in independent districts and annually thereafter on ~~July 1~~ *the first Monday in January*, or as soon thereafter as practicable, the board shall meet and organize by selecting a chairman, clerk, and a treasurer, who shall hold their offices for one year and until their successors are selected and qualify. The persons who perform the duties of the clerk and treasurer need not be members of the board and the board by resolution may combine the duties of the offices of clerk and treasurer in a single person in the office of business affairs. They may appoint a superintendent who shall be ex officio a member of the board, but not entitled to vote therein. ~~In districts in which board members are elected at the general election in November, the annual meeting of the board shall be held on the first Monday of January or as soon thereafter as practicable.~~

Sec. 20. Minnesota Statutes 1976, Section 123.351, Subdivision 1, is amended to read:

123.351 [COOPERATIVE CENTERS FOR VOCATIONAL EDUCATION.] Subdivision 1. [ESTABLISHMENT.] Two or more independent school districts may enter into an agreement to establish a cooperative center to provide for vocational education and other educational services upon the vote of a majority of the full membership of each of the boards of the districts entering into the agreement. When a resolution approving this action has been adopted by the board of a district, the resolution shall be published once in a newspaper of general circulation in the

district. If a petition for referendum on the question of the district entering into the agreement, containing signatures of qualified voters of the district equal to five percent of the number of voters at the last annual *regular* school election, is filed with the clerk of the board within 60 days after publication of the resolution, the board shall not enter into the agreement until the question has been submitted to the voters of the district at a special election. This election shall be conducted and canvassed in accordance with section 123.32 *the same manner as the regular election of officers of independent school districts*. If a majority of the total number of votes cast on the question within the district is in favor of the proposition, the board may thereupon enter into an agreement to establish the center for purposes herein described in section 123.351.

Sec. 21. Minnesota Statutes 1976, Section 123.351, Subdivision 3, is amended to read:

Subd. 3. [GOVERNING BOARD.] (a) The center shall be operated by a center board of not less than five members which shall consist of members from school boards of each of the participating school districts within the center, appointed by their respective school boards. Each participating school district shall have at least one member on the board. The board shall choose an administrative officer to administer board policy and directives who shall serve as an ex officio member of the board but shall not have a vote.

(b) The terms of office of the first members of the board shall be determined by lot as follows: ~~one third one half~~ of the members for ~~one year, one third for two years,~~ and the remainder for ~~three four~~ years, all terms to expire on ~~June 30 the first Monday in January~~ of the appropriate ~~even numbered~~ year; provided that if the number of members is not evenly divisible by ~~three two~~, the membership will be as evenly distributed as possible among ~~one, two and three four~~ year terms with the remaining members serving the ~~three year term~~. Thereafter the terms shall be for ~~three four~~ years commencing on ~~July 1 the first Monday in January~~ of each ~~the even numbered~~ year. If a vacancy occurs on the center board, it shall be filled by the appropriate school board within 90 days. A person appointed to the center board shall qualify as a board member by filing with the chairman a written certificate of appointment from his school board.

(c) The first meeting of a center board shall be at a time mutually agreed upon by board members. At this meeting, the center board shall choose its officers and conduct any other necessary organizational business. Thereafter the center board shall meet on the first of July of each year or as soon thereafter as practicable pursuant to notice sent to all center board members by the chief executive officer of the center.

(d) The officers of the center board shall be a chairman, vice chairman, clerk and treasurer, no two of whom when possible shall be from the same school district. The chairman shall preside at all meetings of the center board except in his absence the vice chair-

man shall preside. The clerk shall keep a complete record of the minutes of each meeting and the treasurer shall be the custodian of the funds of the center. Insofar as applicable, sections 123.33 and 123.34, shall apply to the board and officers of the center.

(e) Each participating school district shall have equal voting power with at least one vote. A majority of the center board shall be a quorum. Any motion other than adjournment shall pass only upon receiving a majority of the votes of the entire center board.

Sec. 22. Minnesota Statutes 1976, Section 123.51, is amended to read:

123.51 [SPECIAL SCHOOL DISTRICTS, LAWS APPLICABLE.] Special districts as now organized shall continue to operate under the special legislation and charter provisions governing them until conversion to independent districts. The provisions of Laws 1957, Chapter 947, relating to independent districts shall apply to and govern each special district unless the special laws and charter provisions governing the special district provide for the matter, in which case the special laws and charter provisions relating to the special district shall apply and control. *The provisions of article I, section 2, article II, sections 11 to 15 and article V, section 1 of this act shall control and shall supersede inconsistent provisions of special laws or charters in the matter of school district elections in special districts.*

Sec. 23. Minnesota Statutes 1976, Section 128.01, is amended to read:

128.01 [COUNTY SCHOOL BOARD; ELECTIONS; TERMS.] The school board of any such county district shall consist of five members, to be elected at the same time and in the same manner as board members in a ten or more townships *an independent school district*, but for a term of four years. The board of county commissioners shall appoint the members of such board within 60 days following the election at which time the question of consolidation was submitted, the length of each term for which they are to be appointed being such as to cause the term of three members of the board to expire on the ~~Sunday preceding~~ the first Monday in January following the next ~~general regular~~ election and the term for two members to expire two years from the ~~Sunday preceding~~ the first Monday in January following the next ~~general regular~~ election. The provisions of Laws 1949, Chapter 268, shall not affect the terms of the school boards of county districts now organized. The school board of the county district shall meet within ten days after the appointment by the county board, and thereafter as may be necessary, and organize in the same manner as independent districts and do whatever business is necessary for the best interest of the county district for the ensuing school year and thereafter shall organize at the same time as boards of county commissioners.

Sec. 24. Minnesota Statutes 1976, Section 365.51, is amended to read:

365.51 [ANNUAL TOWN MEETING; PRECINCTS; POLL-

ING PLACES.] *Subdivision 1.* [ANNUAL MEETING.] There shall be an annual town meeting held in each town on the second Tuesday of March at the place of holding the last town meeting, or at such other place in the town, or county or in an adjoining town or city in an adjoining county, designated by the annual town meeting, and if no designation is so made the same shall then be made by the town board. The clerk shall give ten days' published notice in a qualified newspaper having general circulation within the town, or by posted notice, or both, as the voters at the annual town meeting may direct, specifying the time and place, but if the town meeting shall fail to direct the manner of giving such notice, the town board shall direct the manner of giving notice. *Except as provided in subdivision 2,* all town officers required by law to be elected shall be chosen thereat, and such other business done as is by law required or permitted by law shall be done at the annual meeting. The town board may, with respect to an election by ballot at the annual town meeting for the purpose of selecting town officers or of determining any matter of town business, provide for the casting of ballots in precincts and at polling places. Such precincts and polling places shall be designated by the board in the manner prescribed by sections 204A.06 and 204A.09.

Subd. 2. [OPTION TO HOLD TOWN ELECTIONS ON LOCAL GOVERNMENT ELECTION DAY.] Any town, by the vote of a majority of those voting at an annual or special meeting, may exercise the option to hold elections for town officers on the local government election day designated pursuant to article 1, section 2, of this act. This option may only be exercised with respect to future town elections and may not be exercised to postpone any election scheduled to be held at the meeting at which the option is voted upon. Any town exercising the option to hold its election on the local government election day shall comply with all of the provisions of article 1, section 2, of this act with respect to all future regular elections of town officers until a majority of those voting at an annual or special meeting vote to rescind that option. Town officers elected on the local government election day shall take office at the annual town meeting next succeeding their election.

Sec. 25. Minnesota Statutes 1976, Section 375.025, Subdivision 4, is amended to read:

Subd. 4. [REDISTRICTING PLAN; ELECTION FOLLOWING REDISTRICTING.] A redistricting plan whether prepared by the county board or the redistricting commission shall be filed in the office of the county auditor. Notice that the plan is on file shall be published in the newspaper having the contract for publishing the commissioners proceedings for the current year. A redistricting plan shall be effective on the 31st day after publication of the notice unless a later effective date is specified; provided, no redistricting plan shall be effective as to the next election of county commissioners unless the plan shall have been filed with the county auditor not less than 30 days before the first date candidates may file for the office of county commissioner.

One commissioner shall be elected in each district who, at the time of the election, shall be a resident thereof and the person so elected shall be entitled to hold the office only while he remains a resident of the commissioner district. The county board or the redistricting commission as appropriate shall determine the number of members of the county board who shall be elected for two year terms and for four year terms in order to provide for staggered terms on the county board. Thereafter, all commissioners shall be elected for four years. When a county is redistricted, there shall be a new election of commissioners in all the districts of the county at the next general *regular* election except that where the change made in the boundaries of a district is less than 10 percent of the average of all districts of the county, the commissioner in office at the time of the redistricting shall serve for the full period for which he was elected.

Sec. 26. Minnesota Statutes 1976, Section 375.03, is amended to read:

375.03 [TERM OF COMMISSIONERS.] In each new county, and in each county which shall be entitled to an increase of the number of commissioners, there shall be elected at the next general *regular* election a commissioner from each odd-numbered district for a term of two years, and one from each even-numbered district for a term of four years; and thereafter all commissioners shall be elected for a term of four years, except that elections to fill vacancies shall be for the unexpired term only. In counties having a population of more than 150,000, every such commissioner, before he enters upon his duties, shall give bond to the state in the sum of \$10,000, with a legally authorized surety company as surety, conditioned for the faithful performance of his official duties. Such bond shall be approved by a judge of the district court, and together with his oath of office and certificate of election, be filed with the county recorder. The premium on the bond shall not exceed that prescribed by law for county treasurers, and shall be paid by the county.

Sec. 27. Minnesota Statutes 1976, Section 375.101, Subdivision 2, is amended to read:

Subd. 2. If the vacancy occurs less than 60 days before the general *regular* election preceding the end of the term, the vacancy shall be filled by the person elected at that election for the ensuing term who shall take office immediately after receiving the certificate of election and upon filing the bond and oath of office.

Sec. 28. Minnesota Statutes 1976, Section 375A.02, Subdivision 1, is amended to read:

375A.02 [ELECTED EXECUTIVE PLAN.] Subdivision 1. [COUNTY EXECUTIVE.] In a county adopting the elected executive plan, the chief executive officer shall be known as county executive. The first county executive shall be elected at the county general *regular* election following the adoption of the elected executive plan and every four years thereafter. He shall hold office for a term of four years commencing on the first Mon-

day of January following his election. Only a voter of a county shall be eligible for election as county executive. He shall be nominated and elected by all the voters of the county in the manner provided by law for the election of county officers. In case the office of county executive is or becomes vacant by reason of death, resignation or removal, it shall be filled by the board of county commissioners for the unexpired term.

Sec. 29. Minnesota Statutes 1976, Section 375A.09, Subdivision 4, is amended to read:

Subd. 4. [DISTRICTS; NOMINATION.] The county shall be divided into the number of districts from which commissioners are nominated and elected and the population of the county shall be apportioned to the several districts so that each commissioner represents the same number of persons as nearly as may be possible. When the number of commissioners has been changed, the county board shall proceed to redistrict the county accordingly and it shall follow as nearly as possible the times and procedures specified in section 375.025, including determining the two year and four year terms first assigned to districts in order to provide as nearly as possible for an equal number of overlapping four year terms in the future. The resolution redistricting the county shall be adopted not less than 30 days before the first day candidates may file for the office of county commissioner. Commissioners to be elected pursuant to the modification of the county board shall be elected at the general regular election following the adoption of the modification.

Sec. 30. Minnesota Statutes 1976, Section 382.01, is amended to read:

382.01 [OFFICERS ELECTED; TERMS.] In every county in this state there shall be elected at the general election in 1918 a *The regular election of the county auditor, a county treasurer, sheriff, county recorder, county attorney, and coroner, and county superintendent of schools shall be held on the local government election day designated pursuant to article 1, section 2 of this act.*

The terms of office of these officers shall be four years and shall begin on the first Monday in January next succeeding their election. They shall hold office until their successors are elected and qualified. These offices shall be filled by election every four years thereafter.

Sec. 31. Minnesota Statutes 1976, Section 389.011, Subdivision 2, is amended to read:

Subd. 2. [ELECTION, TERM, APPOINTMENT, TERMINATION OF OFFICE.] (1) In any county having less than 200,000 inhabitants and in which the office is vacant by reason of no person having been elected and qualified for the position, the board of county commissioners may by resolution duly adopted at least six months before the end of the term of office of the county surveyor, declare the office terminated. If such resolution is adopted no person shall be elected or appointed to the office of county surveyor so long as such resolution remains in effect. The

county board by resolution adopted at least six months before the date of any *general regular* election may rescind its action terminating the office. Such resolution rescinding its action terminating the office shall state whether the office shall be filled henceforth by election or by appointment.

If the resolution does not state that the office shall be filled by appointment the county surveyor shall be elected at the next *general regular* election according to law. If the office of county surveyor is to be filled by appointment the board of county commissioners shall within 30 days of said resolution appoint a land surveyor to such office.

In the resolution terminating the office the board of county commissioners may designate a land surveyor who shall perform all professional duties of a county surveyor as provided by law. As to any duties of a county surveyor which are not of a professional nature said duties shall be performed by the county engineer.

(2) In any county in which the office of county surveyor has not been abolished by law the board of county commissioners may by resolution duly adopted at least six months before the end of the term of the office of county surveyor declare its intention to fill the office by appointment. Having adopted such a resolution the board of county commissioners shall fill the office of county surveyor by appointment of a land surveyor to the office not less than 30 days before the end of the term of office of the incumbent. When so appointed the county surveyor shall serve for such term as determined by the board commencing upon the expiration of the term of the incumbent but not to exceed four years.

(3) In any county wherein the office of county surveyor has not been terminated or made appointive under the provisions of this section or abolished under other provisions of law, there shall be elected a county surveyor in the manner provided by law. The term of office of the county surveyor shall be four years and until his successor is elected and qualified, and begin on the first day of January next succeeding his election.

(4) If the office of county surveyor is vacant by reason of no qualified person having been elected to the office or the board of county commissioners having failed to appoint a person to the office or is otherwise vacant or if the office has been terminated and no land surveyor has been designated to perform the professional duties of the office and there are duties which prior to January 1, 1961, had been the responsibility of the county surveyor the officer requiring such duties to be performed may retain a land surveyor to perform such duties at the compensation set by the county board.

Sec. 32. Minnesota Statutes 1976, Section 397.06, is amended to read:

397.06 [DISTRICT HOSPITAL BOARDS.] The board or boards of county commissioners may also authorize and direct the construction and equipment of a district hospital in any such

district, to be constructed, equipped and operated under the supervision of a district hospital board comprising one member from each city and town in the district elected by the voters at the respective regular local elections thereof ~~election held on the local government election day designated pursuant to article I, section 2 of this act~~ for a term of ~~three~~ four years or until his successor has been elected and has qualified, commencing on the first day of April Monday in January next following the election. When the district is first created, the governing body of each such city and town shall appoint a member of the board to serve until the commencement of the term of his successor. Thereafter whenever a vacancy occurs, the governing body of the city or town affected shall appoint a member to serve until April 1 the first Monday in January following the next regular municipal or town local government election day, when his successor shall be elected for a full three year four year term. Procedures for election of board members shall be as provided in article II, section 18 of this act.

Sec. 33. Minnesota Statutes 1976, Section 397.07, is amended to read:

397.07 [ANNUAL MEETINGS OF BOARDS.] The annual meetings of the hospital board shall be in April January of each year, at which time the members shall elect from among themselves a chairman and a clerk for a term of one year.

Sec. 34. Minnesota Statutes 1976, Section 398.04, is amended to read:

398.04 [ELECTION OF COMMISSIONERS.] Except in the case of the first boards and when vacancies occur before the expiration of a term, park district commissioners shall be elected without party designation at the same time and in the same manner as county commissioners. In single county park districts the three commissioners at large shall be elected by all the qualified voters in the park district while the successors in office to the four commissioners representing the four election districts, whether appointed, candidates for election or elected, must reside when appointed or elected and while serving, in the election district which they represent and shall be elected by the qualified voters residing in such district. Park district commissioners shall be elected for terms of four years or until their respective successors are elected and qualify, except where a commissioner is being elected to finish out an unexpired term when election shall be for the balance of such term. Vacancies resulting from the death, resignation or removal of a commissioner shall be filled by appointment by the board of county commissioners, such appointment to be effective only until the first Monday in January following the next general regular election or until a successor has been elected and qualifies for office. The four commissioners representing the election districts shall be elected at the first primary and general regular elections after the activation of the district and each four years thereafter and the commissioners elected at large shall be elected at the second primary and general regular election after such activation and each four years thereafter. The

terms of elected commissioners shall commence on the first Monday in January following their election.

Sec. 35. Minnesota Statutes 1976, Section 410.21, is amended to read:

410.21 [APPLICATION OF GENERAL ELECTION LAWS.] *Except as provided otherwise in article I, section 2 and article V, section 1 of this act*, the provisions of any charter of any such city adopted pursuant to this chapter shall be valid and shall control as to nominations, primary elections, and elections for municipal offices, notwithstanding that such charter provisions may be inconsistent with any general law relating thereto, and such general laws shall apply only in so far as consistent with such charter.

Sec. 36. Minnesota Statutes 1976, Section 412.02, Subdivision 2, is amended to read:

Subd. 2. Terms of elective officers shall commence on the first ~~business day~~ *Monday* of January following the election at which the officer is chosen. All officers chosen and qualified as such shall hold office until their successors qualify. Vacancies in office shall be filled for the remainder of the term by the council. In case of a tie vote on such appointments the mayor shall fill the vacancy by appointment for the unexpired term.

Sec. 37. Minnesota Statutes 1976, Section 412.021, Subdivision 2, is amended to read:

Subd. 2. [OFFICERS TO BE ELECTED.] There shall be elected at such election a mayor and, where otherwise permitted by law, a justice of the peace, each for a term expiring the first ~~business day~~ *Monday* in January of the next ~~odd-numbered~~ *even-numbered* year; and four councilmen, for terms so arranged that two expire the first ~~business day~~ *Monday* in January of the next ~~odd-numbered~~ *even-numbered* year and two the first ~~business day~~ *Monday* in January of the second ~~odd-numbered~~ *even-numbered* year. No candidate for councilman shall run for a particular term but the number of years in the term of each successful candidate shall be determined by his relative standing among the candidates for office, the longest terms going to the two candidates receiving the highest number of votes. If the election occurs in the last four months of the ~~even-numbered~~ *odd-numbered* year, no election shall be held in the city on the annual city election day that year, and the next following year shall be disregarded in fixing the expiration of terms of officers chosen under this subdivision at the initial election.

Sec. 38. Minnesota Statutes 1976, Section 412.571, Subdivision 5, is amended to read:

Subd. 5. [ABANDONMENT; INCUMBENT CLERK AND TREASURER TRANSITION.] When any optional plan is abandoned and the standard form of city government is resumed, the office of clerk, or clerk-treasurer shall remain appointive until the first ~~business day~~ *Monday* in January following the next regular

city election and the office of treasurer, if there is no clerk-treasurer, shall remain appointive until the first business day of *Monday* in January following the first subsequent city election at which the clerk is not elected; and the successor to the incumbent clerk, clerk-treasurer, and treasurer shall be chosen at the regular city election immediately preceding the January in which the office becomes elective.

Sec. 39. Minnesota Statutes 1976, Section 447.32, Subdivision 1, is amended to read:

447.32 [OFFICERS AND ELECTIONS.] Subdivision 1. Each hospital district shall be governed by a hospital board composed of one member elected from each city and town comprising said district and one member elected at large. The term of office of each member of the hospital board shall be four years and until his successor qualifies, except that at the first election members shall be elected for terms to be designated by the governing body calling the election, in such manner that one-half of the terms as nearly as may be, shall expire on ~~December 31~~ *the first Monday in January* of the then next following even numbered year and the remaining terms will expire two years from said date; and thereafter, prior to the expiration of the term of each member, a new member shall be elected for a term of four years from said expiration date. Upon the death, resignation, or removal of any member from the hospital district, or upon his failure to qualify, a successor may be appointed by a majority of the remaining members of the board, to hold office until ~~December 31~~ *the first Monday in January* following the next regular hospital district election, at which election a successor shall be elected to fill the unexpired term. Upon annexation of any additional city or town to the district, in accordance with section 447.36, its governing body shall by resolution appoint a member to the board, to hold office until ~~December 31~~ *the first Monday in January* following the next regular hospital district election, at which election a successor shall be elected for a term of either two or four years, to be designated by the hospital board in such manner as to assure that the number of members of the board whose terms expire in any subsequent year will not exceed one-half of the members plus one.

Sec. 40. Minnesota Statutes 1976, Section 447.32, Subdivision 2, is amended to read:

Subd. 2. *The regular elections election of hospital board members* shall be held in each hospital district at the same time and in the same election precincts and at the same polling places as general elections of state and county officers, except that the hospital board may by resolution fix a date, not later than December 7 immediately preceding the expiration of board members' terms, and may establish the whole district as a single election precinct or may establish two or more different election precincts and polling places for such elections; in which event the boundaries of the election precincts and the locations of the polling places shall be defined in the notice of election, either in full or by reference to a description or map on file in the office of the clerk on the local

government election day designated pursuant to article I, section 2 of this act. Procedures for election of board members shall be as provided in article II, section 18 of this act. Special elections may be called by the hospital board at any time to vote on any matter required by law to be submitted to the electors, and such elections shall be held within the election precinct or precincts and at the polling place or places designated by the board or, in the case of the first election of officers of a new district, by the governing body of the most populous city or town included in the district. The procedure for a special election shall be the same as for the regular election except that the hospital board shall pay all expenses of a special election. Advisory ballots may be submitted by the hospital board on any question which it may desire, relating to the affairs of the district, but only at a regular election or at a special election required to be held for another purpose.

Sec. 41. Minnesota Statutes 1976, Section 487.03, Subdivision 2, is amended to read:

Subd. 2. [ELECTION.] Each judge shall be elected at the general regular election for a term of six years, beginning on the first Monday of the January next following his election and until his successor qualifies. No person shall be a candidate for more than one county court judgeship at any election.

In any election following reduction of the number of county court judges pursuant to section 487.01, subdivision 7 the requirement contained in section 202A.22, subdivision 3 that a candidate for office of judge state the office for which he is a candidate shall not apply. In such a situation all parties filing for office of judge shall run against each other for the remaining seats. However, each candidate who otherwise would have qualified to have the word "incumbent" printed after his name on the ballot pursuant to section 203A.12, subdivision 6 shall retain this right.

Sec. 42. Minnesota Statutes 1976, Section 487.03, Subdivision 5, is amended to read:

Subd. 5. [VACANCY.] Whenever there is a vacancy in the office of judge, the governor shall appoint a qualified person to fill the vacancy, to hold office until his successor is elected and qualified. The successor shall be elected for a six year term at the next general regular election occurring more than one year after such appointment.

Sec. 43. Minnesota Statutes 1976, Section 488A.021, Subdivision 3, is amended to read:

Subd. 3. [TERM; VACANCIES; APPOINTMENTS AND ELECTION.] (a) Each elected judge holds office for six years beginning the first Monday in January next succeeding his election.

(b) Whenever there is a vacancy in the office of judge, the governor shall appoint a qualified person to fill the vacancy, to hold office until his successor is elected and qualified. The successor shall be elected for a six year term at the next general regular election occurring more than one year after such appointment.

(c) At the *general regular* election immediately preceding the expiration of his term, the qualified voters of the county of Hennepin shall elect the successor to any elected or appointed judge.

(d) Each judge holds a separate nonpartisan office.

(e) When one or more judges of the court are to be nominated or elected at an election, the notice of election shall state the name of each judge whose successor is to be nominated or elected. The official ballot shall contain the names of all candidates for each such office, state the number of judges to be elected and the number of candidates for whom an elector may vote, and designate each candidacy as "For the office of Judge of the Municipal Court of the county of Hennepin to which (name of judge) was elected for the regular term", or: "For the office of Judge of the Municipal Court of the county of Hennepin to which (name of judge) was appointed," as the case may be. The official ballots shall show in the spaces for the purpose the name of the judge whose successor is to be elected. When any judge is a candidate to succeed himself, the word "incumbent" shall be printed after his name where it appears among the names of the candidates for the office. When voting machines are used and such statements cannot be inserted in full, the designation shall be "Successor to (name of judge) (elected)", or "Successor to (name of judge) (appointed)", as the case may be.

(f) Each person desiring to have his name placed upon the primary ballot as a candidate for judge shall state in his affidavit of candidacy the office of the particular judge for which he is a candidate. The filing of this affidavit with the county auditor and a compliance with all other requirements constitutes such person a candidate for that office, and for that office only. No person shall at any election be a candidate for more than one such office.

Sec. 44. Minnesota Statutes 1976, Section 488A.19, Subdivision 3, is amended to read:

Subd. 3. [TERM; VACANCIES; APPOINTMENTS AND ELECTION.] (a) Each elected judge holds office for six years beginning the first Monday in January next succeeding his election.

(b) Whenever there is a vacancy in the office of judge the governor shall appoint a qualified person to fill the vacancy, to hold office until his successor is elected and qualified. The successor shall be elected for a six-year term at the next *general regular* election occurring more than one year after such appointment.

(c) At the *general regular* election immediately preceding the expiration of his term the qualified voters of the county of Ramsey shall elect the successor to any elected judge.

(d) Each judge holds a separate nonpartisan office.

(e) When one or more judges of the court are to be nominated or elected at an election, the notice of election shall state the name of each judge whose successor is to be nominated or elected.

The official ballot shall contain the names of all candidates for each such office, state the number of judges to be elected and the number of candidates for whom an elector may vote, and designate each candidacy as "For the office of Judge of the Municipal Court of the county of Ramsey to which (Name of Judge) was elected for the regular term," or "For the office of Judge of the Municipal Court of the county of Ramsey to which (Name of Judge) was appointed," as the case may be. The official ballots shall show in the spaces for the purpose the name of the judge whose successor is to be elected. When any judge is a candidate to succeed himself, the word "incumbent" shall be printed after his name where it appears among the names of the candidates for the office. When voting machines are used and such statements cannot be inserted in full, the designation shall be "Successor to (Name of Judge) (elected)", or "Successor to (Name of Judge) (appointed)", as the case may be.

(f) Each person desiring to have his name placed upon the primary ballot as a candidate for judge shall state in his affidavit of candidacy the office of the particular judge for which he is a candidate. The filing of this affidavit with the county auditor and a compliance with all other requirements constitutes such person a candidate for that office, and for that office only. No person shall at any election be a candidate for more than one such office.

ARTICLE V OTHER PROVISIONS

Section 1. [205.012] [LOCAL GOVERNMENT ELECTION DAY; IMPLEMENTATION.] *Subdivision 1. [PRESENT OFFICEHOLDERS.] The term of office of any of the officers described in Article I, Section 2, Subdivision 2, holding office on August 1, 1978, shall expire as heretofore provided by law.*

Subd. 2. [ODD YEAR FALL ELECTIONS.] Any regular election of any of the officers described in Article I, Section 2, Subdivision 2 heretofore required to be held in November or December of odd numbered years by any law, chapter or ordinance shall be held on the local government election day nearest the day the election would otherwise have been held and shall be held in accordance with the provisions of Articles I to IV of this act.

Subd. 3. [ELECTION OF SUCCESSORS TO PRESENT OFFICEHOLDERS.] Except as provided otherwise in subdivision 2, any regular election held to elect a successor to any of the officers described in Article I, Section 2, Subdivision 2 holding office on August 1, 1978 shall be held at the time and in the manner heretofore provided by law.

Subd. 4. [REDUCTION OF TERM OF SUCCESSORS TO PRESENT OFFICEHOLDERS; EXCEPTION.] The term of any person elected to succeed any of the officers described in Article I, Section 2, Subdivision 2 holding office on August 1, 1978, including the term of any such person elected on the local gov-

ernment election day under subdivision 2, shall be reduced to expire on the first Monday in January of an even numbered year which next precedes the day the term would otherwise have expired as heretofore provided by law, charter or ordinance, unless that reduction exceeds 13 months in which case the term shall be extended to the first Monday in January of the even numbered year next succeeding the day the term would otherwise have expired.

Subd. 5. [SUBSEQUENT REGULAR ELECTIONS.] *The regular election of any officer to succeed an officer whose term is extended or reduced as provided in subdivision 4 shall be held on the local government election day preceding the expiration of the reduced or extended term and shall be held in accordance with the provisions of Articles I to IV of this act.*

Subd. 6. [MODIFICATIONS PERMITTED FOR STAGGERED TERMS.] *The governing body of any political subdivision required to hold its regular election on the local government election day except a county may provide, by ordinance or resolution adopted at least 14 days before the opening of filings for any affected office, that members of an elected body or other officers of the subdivision may be elected for a different term than is otherwise provided, in order to achieve staggered terms for the members of that body or other officers. With respect to the members of an elected body, any ordinance or resolution adopted pursuant to this subdivision shall provide that, to the extent mathematically possible, the same number of persons is chosen at each election, exclusive of those chosen to fill vacancies for the unexpired terms. This subdivision expires August 1, 1983.*

Subd. 7. [EVEN YEAR TERMS.] *The term of any officer described in Article I, Section 2, Subdivision 2 elected on the local government election day shall be for an even number of years. The governing body of any home rule charter city may by ordinance or charter amendment change any term of an odd number of years provided by its charter to a term of an even number of years one year longer or shorter than provided by the charter. The ordinance or charter amendment shall be adopted no later than 16 weeks before the first local government election day at which that officer is to be elected. In any case in which a home rule charter city fails to adopt an ordinance or charter amendment as provided in this subdivision, with respect to any officer to be elected at the local government election day that officer shall be elected to a term of an even number of years which is one year longer than the term otherwise provided.*

Subd. 8. [PURPOSE.] *It is the purpose and intent of this section to implement the provisions of articles I to IV of this act, by requiring the adjustment of terms of office, dates of certain elections and other procedures. To the extent inconsistent with the provisions of this section all general and special laws and municipal charter provisions providing otherwise are superseded. In all other respects, those laws and charter provisions shall continue in full force and effect. In the case of any conflict between*

the provisions of this section and those of any other sections of this act the provisions of this section shall control.

Sec. 2. [REVISOR'S INSTRUCTION.] *The revisor of statutes shall examine Minnesota Statutes to determine whether any coded sections of law have been superseded by this act and prepare appropriate amendments of coded sections in revisor's bills submitted in 1979 and thereafter.*

Sec. 3. [APPROPRIATION.] *The sum of \$7,000 is appropriated from the general fund to the secretary of state to carry out the duties prescribed by article II, section 17 of this act. This appropriation shall not lapse but shall be available for expenditure until June 30, 1979.*

ARTICLE VI SPECIAL ELECTIONS

Section 1. Minnesota Statutes 1976, Chapter 202A, is amended by adding a section to read:

[202A.74] [UNITED STATES REPRESENTATIVE.] *Subdivision 1. [SCOPE OF SECTION.] Every vacancy in the office of United States representative from Minnesota shall be filled for the unexpired term by a special election upon the writ of the governor as provided in this section and sections 3 to 10; except that if congress will not be in session before the expiration of the vacant term or the term will expire or congress adjourn before a successor can be elected and qualified there shall be no special election to fill the vacancy.*

For the purpose of this section "vacancy" means a vacancy in the office of United States representative from Minnesota.

Subd. 2. [SPECIAL ELECTION.] *Every special election to fill a vacancy shall be held on a Tuesday not less than 10 or more than 15 weeks after the vacancy occurs.*

Subd. 3. [WRIT OF GOVERNOR.] *The governor shall issue a writ calling for a special election required pursuant to this section within one week after a vacancy occurs. The writ shall provide that:*

(a) the time of filing of affidavits and petitions shall extend for at least two weeks;

(b) the close of the filing period shall be at least three weeks before the special primary;

(c) the special primary shall be at least four weeks before the special election; and

(d) the special primary or special election or both shall be held on the day of a regular statewide election as far as practicable consistent with the time constraints prescribed in this section and the time reasonably required for adequate election administration. For the purpose of this subdivision "statewide election" means an election at which all home rule charter and statutory cities are required to hold city elections or at which state legislators are elected.

Sec. 2. Minnesota Statutes 1976, Chapter 202A, is amended by adding a section to read:

[202A.75] [STATE LEGISLATORS.] Subdivision 1. [SCOPE OF SECTION.] *Except as provided in subdivision 3 every vacancy in the office of state senator or state representative shall be filled for the unexpired term by a special election upon the writ of the governor as provided in this section and sections 3 to 10. For the purpose of this section "vacancy" means a vacancy in the office of state senator or state representative.*

Subd. 2. [SPECIAL ELECTION WHEN LEGISLATURE WILL BE IN SESSION.] *When a vacancy occurs and the legislature will be in regular session so that a person elected to fill the vacancy as provided in this subdivision could take office and begin to exercise the duties of office immediately upon election and qualification, the vacancy shall be filled by a special election held not later than eight weeks after the vacancy occurs.*

Subd. 3. [SPECIAL ELECTION AT OTHER TIMES.] *When a vacancy occurs at a time other than that described in subdivision 2, a special election shall be held so that the person elected shall take office no later than the first day of the next meeting of the legislature in regular session in the year after the vacancy occurs; but no special election shall be held if the term of the vacant office expires before the next meeting of the legislature in regular session in the year after the vacancy occurs, except to permit a successor to serve in a special session of the legislature. An election called pursuant to this subdivision shall be held, as far as practicable, at the time that a regularly scheduled election is held in that legislative district.*

Subd. 4. [SPECIAL PRIMARY.] *A special primary to nominate candidates to fill a vacancy shall be held no later than three weeks before the special election.*

Subd. 5. [TIME FOR FILING.] *The time for filing of affidavits and petitions of candidacy to fill a vacancy shall extend for at least one week and shall close no later than two weeks before the special primary.*

Subd. 6. [WRIT OF THE GOVERNOR.] *The governor shall issue a writ calling for a special election required pursuant to this section no later than one week after the vacancy occurs except as otherwise provided in subdivision 7.*

Subd. 7. [WRIT WHEN VACANCY RESULTS FROM ELECTION CONTEST.] *If a vacancy results from a successful election contest the governor shall issue a writ calling for a special election required pursuant to this section 22 days after the first day of the legislative session unless the house in which the contest may be tried has passed a resolution stating that:*

(a) it will review the court's determination of the contest, in which case no writ shall be issued pending the outcome of that review; or

(b) it will not review the court's determination, in which case

the writ shall be issued within five days of the adoption of the resolution.

For the purposes of subdivisions 2 and 3, when a vacancy results from a successful election contest the vacancy is deemed to occur on the date the governor issues his writ calling the special election.

Subd. 8. When any state senator or state representative submits a letter of resignation to the governor and the resignation is effective at a future date, the governor may issue his writ before the effective date of the resignation provided that:

(a) no special primary or special election shall be held before the vacancy occurs, and

(b) the minimum time periods prescribed by subdivisions 4 and 5 are observed.

A special election may be held pursuant to this subdivision at a time earlier than the election would otherwise have been held pursuant to the provisions of subdivisions 2 to 4; but in no case shall that election be held later than the time required by those provisions. Notwithstanding the provisions of subdivision 1, a special election may be held pursuant to this section if the vacancy occurs during a legislative session and less than nine weeks before the constitutionally required date of adjournment if the person elected will be able to take office before that adjournment date. If a resignation is withdrawn before it is effective so that no vacancy will exist on the dates designated for the special primary or special election, the governor shall rescind any writ issued pursuant to this subdivision and cancel the special elections ordered pursuant to that writ.

GENERAL PROVISIONS

Sec. 3. Minnesota Statutes 1976, Chapter 202A, is amended by adding a section to read:

[202A.77] [SPECIAL ELECTIONS; NOTICE PROVISIONS.]
Subdivision 1. [WRIT OF GOVERNOR.] Every writ calling for a special election issued pursuant to sections 1 and 2 shall state the office to be filled, the opening and closing dates for filing of candidacy, and the dates of the special primary and special election. The writ shall be filed immediately upon issuance with the secretary of state.

Subd. 2. [TRANSMITTAL AND POSTING OF WRIT.] Immediately upon receipt of the writ, the secretary of state shall transmit a certified copy of the writ to the auditor of each county in which candidates to fill the vacancy are to be voted upon. Each auditor shall promptly post a copy of the writ in his office.

Subd. 3. [NOTICE OF SPECIAL ELECTION.] Each auditor of a county in which a special election is to be held shall direct the clerk of each municipality in which the election is to be held to post a notice of the special primary and special election at least 14 days before the election in the manner provided in section

204A.04, subdivision 1. *When the special primary or special election is to be held on the same day as any other election, notice of the special primary or special election may be included in the notice of the other election if practicable.*

Subd. 4. [FAILURE OF NOTICE.] No omission or defect in any notice required to be given by this section shall invalidate any special primary or special election.

Sec. 4. Minnesota Statutes 1976, Chapter 202A, is amended by adding a section to read:

[202A.78] [FILING OF CANDIDACY.] *Subdivision 1. [AFFIDAVITS.] Candidates to fill a vacancy at any special election shall file their affidavits within the time prescribed by the writ of the governor with the same officers and in the same manner and shall pay the same fees as provided by law for candidates for like office at the general election.*

Subd. 2. [PETITIONS.] Candidates to fill a vacancy may also be nominated by petition under the conditions and in the manner provided by law for candidates for like office at the general election so far as applicable. Nominating petitions shall be filed during the time specified in the writ of the governor, which shall be the same time as is specified for filing of affidavits of candidacy.

Subd. 3. [FILING WITH SECRETARY OF STATE; CERTIFICATION OF CANDIDATES.] If affidavits or petitions are filed with the secretary of state he shall certify the names of the candidates to the auditor of each county in which the candidates are to be voted upon within 24 hours after the time for filing has closed.

Sec. 5. Minnesota Statutes 1976, Chapter 202A, is amended by adding a section to read:

[202A.79] [PRIMARY; NOMINATION.] *Subdivision 1. [PRIMARY; EXEMPTION FROM TEN PERCENT REQUIREMENT.] Except as provided in subdivision 2, candidates to fill a vacancy at any special election shall be nominated at a special primary election. One candidate for each vacant office to be filled at a special election may be nominated for each political party.*

The candidate of each party who receives the largest number of votes shall be nominated without reference to the number of votes cast by that party at the last general election.

Subd. 2. [NO PRIMARY, WHEN.] No special primary shall be held to nominate candidates to fill a vacancy if only one person from each party files as a candidate for nomination by his party. In this event, the persons who have filed are nominated.

Sec. 6. Minnesota Statutes 1976, Chapter 202A, is amended by adding a section to read:

[202A.80] [PREPARATION OF BALLOTS; BALLOT BOXES; VOTING MACHINES.] *Ballots for every special primary and special election shall be prepared in accordance with section 203A.41. When a special primary or special election is held*

on the same day as another election in a paper ballot precinct and the special election ballot is separate from any regular ballot, separate ballot boxes shall be used for special and regular ballots.

Sec. 7. Minnesota Statutes 1976, Chapter 202A, is amended by adding a section to read:

[202A.81] [PRECINCTS; JUDGES; VOTERS.] *The election precincts, polling places and officials for any special primary or special election held pursuant to sections 1 and 2 on a day other than the day of a regular primary or statewide election shall be the same as at the last preceding statewide election as far as practicable unless changed according to law. In all other cases the election precincts, polling places and officials for the regular election shall also serve for the special primary or special election. In any municipality having a permanent registration system no person may vote at any special primary or special election unless he is registered under the system.*

Sec. 8. Minnesota Statutes 1976, Chapter 202A, is amended by adding a section to read:

[202A.82] [CANVASSING RETURNS; ELECTION CERTIFICATION; CONTESTS.] *Subdivision 1. [CANVASS AT REGULAR TIME.] At any special primary which is held at the time of the regular primary before a statewide election or at any special election which is held at the time of a statewide election the returns shall be canvassed and the results declared and certified together with and in the same manner as the other returns of that regular primary or statewide election.*

Subd. 2. [CANVASS AT OTHER TIMES.] The returns of a special primary which is not held at the time of a regular primary and the returns of a special election which is not held at a statewide election shall be transmitted forthwith upon completion to the county auditor and shall be canvassed as provided in this subdivision. The returns shall be canvassed by the county canvassing board and the results certified to the secretary of state no later than the second day following the special primary or special election. Except for a state legislative special election, the state canvassing board shall meet and canvass the returns of any special primary or special election made to the secretary of state no later than one week after the special primary or special election. The state canvassing board shall canvass the returns of a state legislative special election no later than four days after the special election.

Subd. 3. [NOMINEES CERTIFIED BY SECRETARY OF STATE.] When the state canvassing board is required to canvass the results of a special primary election the secretary of state no later than one week after the special primary shall certify to the county auditors the names of each candidate nominated and shall notify each nominee.

Subd. 4. [NOTICE OF CONTEST.] Notices of contest of any special primary or special election which is held at the time of

the regular primary or statewide election, respectively, shall be filed during the time provided by law for contests for other offices elected at that regular primary or statewide election. Notice of contest of a special primary or special election held at any other time shall be filed as follows:

(a) For a special primary or special election to fill a vacancy in the office of United States representative, within five days after completion of the canvass; and

(b) For a special primary or special election to fill a vacancy in the office of state senator or state representative, within two days after completion of the canvass.

Subd. 5. [CERTIFICATES OF ELECTION.] *Certificates of election shall be issued by the county auditor or secretary of state to the person declared elected by the county or state canvassing board at a special election held on a statewide election day at the time provided by law for issuing certificates after the general election for persons elected to a like office. Certificates of election for persons declared elected at a special election held on any other day shall be issued as follows:*

(a) For election to the United States House of Representatives, seven days after the completion of the canvass; and

(b) For a state legislative election, two days after the completion of the canvass.

In case of a contest a certificate may not be issued until the district court has determined the contest.

Sec. 9. Minnesota Statutes 1976, Chapter 202A, is amended by adding a section to read:

[202A.83] [CHANGE IN CONGRESSIONAL OR LEGISLATIVE DISTRICT BOUNDARIES.] *No change in the boundaries of any congressional or legislative district is effective as to any election to fill a vacancy in the representation from that district when the term of the vacant office began before the change was made.*

Sec. 10. Minnesota Statutes 1976, Chapter 202A, is amended by adding a section to read:

[202A.84] [GENERAL ELECTION LAWS, APPLICATION.] *Except as provided in sections 1 to 9, all of the provisions of Minnesota election law apply to special primary and special elections as far as practicable.*

Sec. 11. Minnesota Statutes 1976, Section 203A.41, is amended to read:

203A.41 [SPECIAL ELECTION BALLOTS.] *Subdivision 1. [NAMES.] Only the names of candidates who have duly filed or have been duly nominated shall be placed upon the ballots for any special primary or special election, respectively, held under sections 202A.61 to 202A.71, and only names of candidates who have been duly nominated shall be placed upon the ballots for any final*

election held under sections 202A.61 to 202A.71 pursuant to the special election provisions of chapter 202A. Blank spaces for writing in names shall be provided upon the final election ballots as upon general election ballots, but not upon the primary ballots.

Subd. 2. [FORM.] Except as provided in subdivision 3 the auditor of each county concerned shall prepare special ballots for every special election and special primary held under sections 202A.61 to 202A.71 pursuant to the special elections provisions of chapter 202A. The ballots shall be headed, "Special Election Ballot" or, "Special Primary Ballot," as the case may be, followed by the date of the election or primary. Immediately below the title of each office to be filled there shall be printed the words, "To fill vacancy in term expiring.," with the date of expiration of the term and such other information as may be necessary to distinguish the office from any other office to be voted upon at the same election or primary. Otherwise the ballots shall conform, as far as practicable, with the laws relating to ballots for general elections and regular primary elections. The county auditor shall post a sample of each ballot in his office as soon as prepared and not later than four days before the election or primary, as the case may be, but he need not publish any sample ballot.

Subd. 3. [USE OF REGULAR BALLOTS.] In any case where candidates are to be voted for under sections 202A.61 to 202A.71 pursuant to the special elections provisions of chapter 202A on the general election day or are to be nominated on the regular primary election day, as the case may be, and where the canvass of the returns is to be made by the regular county canvassing board, as provided in section 202A.69 8, subdivision 1, and where the ballots for the general election or primary have not been printed when the names of the candidates under sections 202A.61 to 202A.71 to be elected or nominated to fill a vacancy have been finally determined, the county auditor shall place the names of the candidates upon the regular ballots used for like offices at the general election or primary, designating the office to be filled in the same manner as provided in subdivision 2 for special ballots.

Sec. 12. Minnesota Statutes 1976, Section 412.02, Subdivision 2, is amended to read:

Subd. 2. Terms of elective officers shall commence on the first business day of January following the election at which the officer is chosen. All officers chosen and qualified as such shall hold office until their successors qualify. Vacancies in office shall be filled for the remainder of the term by the council. In case of a tie vote on such appointments the mayor shall fill the vacancy by appointment for the unexpired term.

Sec. 13. Minnesota Statutes 1976, Section 412.02, is amended by adding a subdivision to read:

Subd. 2a. (a) Except as otherwise provided in this subdivision, the council shall call a special election to fill any vacancy in an

elective city office and may appoint a person to temporarily fill the vacancy until a successor is elected and qualified.

(b) No special election shall be held to fill a vacancy at any regular city election immediately before the expiration of the term of the vacant office. When no special election is permitted under this subdivision, any person appointed to fill the vacancy shall serve until the expiration of the term.

(c) Except as provided in clause (b), every vacancy in an elective city office shall be filled by a special election held at the next regular city election or state general election, whichever occurs first, provided that the vacancy occurs at least one week before the close of the time for filing for that election. If the vacancy occurs later than one week before the close of the time for filing for the next regular city election or state general election, the special election shall be held at the second succeeding regular city election or state general election after the vacancy occurs. The council by resolution shall call the special election not later than four weeks after the vacancy occurs, unless the vacancy occurs less than four weeks before the close of the time for filing, in which case the council shall call the special election not later than one week after the vacancy occurs. The council shall extend the time for filing if necessary to provide at least one week for that purpose.

(d) No candidate to fill a council vacancy shall run as an at large candidate but shall be identified on any affidavit of or application for candidacy and on the city ballot as a candidate "to fill the vacancy created on (the date the vacancy was created) for the term expiring"

(e) A special election held pursuant to this subdivision shall be held in accordance with the provisions of the Minnesota election laws, chapters 200 to 210A, as far as practicable.

(f) This subdivision shall not apply to any city with less than 2,500 inhabitants unless the city adopts an ordinance requiring vacancies in elective city offices to be filled pursuant to this subdivision.

Sec. 14. [REPEALER.] Minnesota Statutes 1976, Sections 123.015; 123.11, Subdivisions 2, 3, 4, 5 and 6; 123.32, Subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 11, 22, 24, 25, 26, and 27; 201.33; 202A.61; 202A.62; 202A.63; 202A.64; 202A.65; 202A.66; 202A.67; 202A.68; 202A.69; 202A.70; 202A.71; 205.02; 205.03; 205.07; 205.11; 205.18; 205.19; 205.20; 206.18; 447.32, Subdivisions 3 and 4; and Laws 1978, Chapter 456, Section 1, Subdivision 5, are repealed.

Sec. 15. [EFFECTIVE DATE.] Article II, Section 17; Article III, Sections 8, 9, 10, 18 and 19, Article IV, Sections 11 and 12 and Article V, Sections 2 and 3, are effective the day following final enactment. All other sections of this act are effective August 1, 1978."

Amend the title by striking it and inserting:

"A bill for an act relating to elections; establishing a local

government election day for election of county, city and school district officers, county and municipal judges and officers of all other political subdivisions except towns; requiring uniform and coordinated election precincts and polling places for municipalities and school districts; integrating municipal and school district election laws with laws applicable to other elections; providing state reimbursement for the costs of administration of the election held on the local government election day; superseding certain inconsistent general and special laws and home rule charter provisions; establishing times and procedures for special elections for United States representative, state senator, state representative and statutory city offices; amending Minnesota Statutes 1976, Chapters 202A, by adding sections; 204A, by adding a section; 205, by adding sections; and 210A, by adding a section; and Sections 40.05, Subdivisions 1, 3 and 4; 40.06, Subdivision 1; 122.23, Subdivisions 12, 17, and 18; 122.25, Subdivision 2; 122.26, Subdivisions 4, 5, and 22; 123.12, Subdivisions 1 and 5; 123.32, Subdivisions 9, 13 and 23; 123.33, Subdivisions 1 and 4; 123.34, Subdivision 1; 123.351, Subdivisions 1 and 3; 123.51; 128.01; 200.02, Subdivisions 1, 8, 24, and by adding subdivisions; 201.071, by adding a subdivision; 202A.26, Subdivision 1; 202A.52; 203A.17; 203A.31, Subdivision 1; 203A.32; 203A.41; 204A.05, Subdivision 1; 204A.06, by adding a subdivision; 204A.09, Subdivision 1; 204A.11, Subdivision 3, and by adding a subdivision; 204A.29; 204A.40, Subdivision 2; 204A.45, Subdivision 1; 204A.47, Subdivision 2; 204A.49, by adding a subdivision; 204A.51, Subdivision 2; 204A.53, Subdivision 1; 205.01; 205.021; 205.13; 205.14; 205.16, Subdivision 2; 206.09; 206.21, Subdivision 3; 207.04; 207.151; 209.02, Subdivisions 1 and 3; 365.51; 375.025, Subdivision 4; 375.03; 375.101, Subdivision 2; 375A.02, Subdivision 1; 375A.09, Subdivision 4; 382.01; 389.011, Subdivision 2; 397.06; 397.07; 398.04; 410.21; 421.02, Subdivision 2 and by adding a subdivision; 412.021, Subdivision 2; 412.571, Subdivision 5; 447.32, Subdivisions 1 and 2; 487.03, Subdivisions 2 and 5; 488A.021, Subdivision 3; and 488A.19, Subdivision 3; amending Minnesota Statutes, 1977 Supplement, Sections 201.061, Subdivision 6; 201.071, Subdivisions 1 and 3; 204A.06, Subdivision 1b; 207.02; 207.03, Subdivision 1; 207.05, Subdivision 1; Laws 1978, Chapter 456, Section 1, Subdivision 4; repealing Minnesota Statutes 1976, Sections 123.015; 123.11, Subdivisions 2, 3, 4, 5 and 6; 123.32, Subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 11, 22, 24, 25, 26 and 27; 201.33; 202A.61 to 202A.71; 205.02; 205.03; 205.07; 205.11; 205.18; 205.19; 205.20; 206.18; 447.32, Subdivisions 3 and 4; and Laws 1978, Chapter 456, Section 1, Subdivision 5."

And when so amended the bill do pass. Mr. Wegener questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 1644: A bill for an act relating to hazardous wastes; placing certain restrictions on site selection for disposal facilities in the metropolitan area; amending Minnesota Statutes 1976, Section 473.516.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 2076: A bill for an act relating to the departments of state; concerning the administrative procedure act; exempting the public employment relations board from the contested case provisions; amending Minnesota Statutes, 1977 Supplement, Section 15.0411, Subdivision 2.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 2316: A bill for an act relating to public employees, political subdivisions; prohibiting denial or abridgement of the right to engage in political activities except under certain circumstances.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred

S. F. No. 1636: A bill for an act relating to education; school aids; providing for additional aid for school year 1978-1979 for certain isolated districts.

Reports the same back with the recommendation the the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Notwithstanding the provisions of Minnesota Statutes, Section 475.61, Subdivision 4, the board of Independent School District No. 710 may transfer the surplus amount remaining in the district's debt service fund after all outstanding bonds and interest thereon are paid, but not to exceed the amount of \$210,000, from the debt service fund to the district's capital expenditure fund, for the purpose of paying for improvements to the district's sites and buildings.

Sec. 2. This act shall be effective upon its approval by the board of Independent School District No. 710 and upon compliance with section 645.021."

Amend the title as follows:

Page 1, line 2, strike "school aids; providing for" and insert "allowing Independent School District No. 710 to transfer a surplus amount from its debt service fund to its capital expenditure fund"

Page 1, strike line 3

Page 1, line 4, strike "certain isolated districts"

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Education, to which was re-referred

S. F. No. 2174: A bill for an act relating to taxation; distribution of taconite taxes to school districts; amending Minnesota Statutes, 1977 Supplement, Section 298.28, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 24, after "(c)" insert "and part (d)"

Page 2, line 31, after "(c)" insert "and part (d)"

Page 3, line 6, restore the stricken language

Page 3, lines 6 to 14, strike the new language

Page 3, after line 25, insert:

"(d) 25 percent of the tax remaining in part (b) after deduction of the distribution pursuant to part (c) shall be distributed to a group of school districts comprised of those school districts wherein the taconite was mined or quarried or the concentrate produced or in which there is a qualifying municipality as defined by section 273.134 or in which is located property which is entitled to the reduction of tax pursuant to section 273.135, subdivision 2, clause (c). It shall be distributed to such qualifying school districts by dividing the amount herein provided by the direct proportion of such school districts' pupil units to the total pupil units of such qualifying districts. Notwithstanding the provisions of section 124.212, subdivision 8a, clause (2) and the provisions of section 275.125, subdivision 9, clause (2) or any other law to the contrary, the amount which a school district is entitled to receive pursuant to this clause shall not be applied to reduce foundation aids which such school district is entitled to receive pursuant to section 124.212 or the permissible levies of the district."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Olson from the Committee on General Legislation and Veterans Affairs, to which was referred

S. F. No. 2356: A bill for an act relating to plats and surveys; filing requirements for plats abutting highways; amending Minnesota Statutes 1976, Section 505.03, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 9, strike "such"

Page 1, line 15, strike "such" and insert "proposed"

Page 2, line 6, strike "such"

Page 2, line 8, strike "such a" and insert "*the proposed*"

Page 2, line 9, strike "such" and insert "*the proposed*"

Page 2, lines 12 to 15, strike the new language

Page 2, line 18, strike "such" and insert "*the*"

Page 2, line 24, strike "said" and insert "*the*"

Page 2, line 25, strike "No" and insert "A"

Page 2, line 25, strike "is" and insert "*shall be*"

Page 2, line 28, strike "such" and insert "*the*"

Page 2, line 28, after the period insert "*The city, town or county shall provide the certificate or other evidence to the county recorder or registrar of titles.*"

Further, amend the title as follows:

Page 1, line 2, after the semicolon insert "prescribing"

And when so amended the bill do pass. Amendments adopted.
Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 1590: A bill for an act relating to retirement; definition of teacher; exemptions; amending Minnesota Statutes, 1977 Supplement, Section 354.05, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 17, strike the new language and insert "*During any fiscal year, the term also does not mean a person who works for a school or institution on a part time basis where the person has certified that he has established and is contributing to an individual retirement account, provided that the certification is made annually and is made on a form prescribed by the executive director*"

Page 2, lines 18 through 20, strike the new language

Page 2, line 21, strike the new language and insert "*This act is effective the day following final enactment.*"

Page 2, strike lines 22 through 24

And when so amended the bill do pass. Amendments adopted.
Report adopted.

Mr. Tennesen from the Committee on Commerce, to which was referred

S. F. No. 2204: A bill for an act relating to intoxicating liquor; hours and days of sale; amending Minnesota Statutes 1976, Section 340.14, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 20, strike "or" and insert "and"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Tennesen from the Committee on Commerce, to which was referred

H. F. No. 1966: A bill for an act relating to motor vehicles; extending protection provided by motor vehicle dealer surety bonds; authorizing the issuance of nontransferable certificates of title; changing the definition of a bus; amending Minnesota Statutes 1976, Sections 168A.07, Subdivision 2; 171.01, Subdivision 19; Minnesota Statutes, 1977 Supplement, Section 168.27, Subdivision 24.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Tennesen from the Committee on Commerce, to which was referred

S. F. No. 2081: A bill for an act relating to public utilities; telephone companies; assessment for costs of regulation; approval of capital expenditures; amending Minnesota Statutes 1976, Chapter 237, by adding sections; and Section 237.01; repealing Minnesota Statutes 1976, Section 237.29, as amended.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 1 to 4, strike sections 1 to 4 and insert:

"Section 1. Minnesota Statutes, 1977 Supplement, Section 216B.16, Subdivision 2, is amended to read:

Subd. 2. Whenever there is filed with the commission any schedule modifying or resulting in a change in any rates then in force, together with the filed statements of facts, expert opinions, substantiating documents, and exhibits, supporting the changes requested, the commission shall upon complaint or may upon its own motion, upon reasonable notice to the governing bodies of municipalities affected, conduct a hearing to determine whether the rates are unjust or unreasonable. Pending the hearing and the decision thereon as provided in subdivision 1, the commission may suspend the operation of the schedule by filing with the schedule of rates and delivering to the affected utility a statement in writing of its reasons for the suspension, at any time before the rates become effective. The suspension shall not be for a longer period than 90 days beyond the time when the schedule of rates would otherwise go into effect unless the commission finds that a longer time will be required. If a longer time is required During the suspension the commission shall determine whether all questions of the reasonableness of the rates requested raised by persons deemed interested or by the adminis-

trative division of the department of public service can be resolved to the satisfaction of the commission. If the commission finds that all significant issues raised cannot be resolved to its satisfaction, or upon petition by ten percent of the affected customers or 100 affected customers, whichever is less, it shall refer the matter to the office of hearing examiners with instructions for a public hearing as a contested case pursuant to chapter 15, and may further extend the period of suspension for a period not to exceed a total of 9 months. If the commission does not make a final determination concerning any schedule of rates within a period of nine months beyond the time when the schedule of rates would otherwise go into effect, under subdivision 1, the schedule shall be deemed to have been approved by the commission. For the purposes of this subdivision, "final determination" means the initial decision of the commission and not any order which may be entered by the commission in response to a petition for rehearing or other further relief. The commission may further suspend rates until it determines all such petitions.

Sec. 2. Minnesota Statutes, 1977 Supplement, Section 237.075, Subdivision 2, is amended to read:

Subd. 2. When there is filed with the commission as provided in subdivision 1 a schedule modifying or resulting in a change in any rate then in force, together with the filed statements of fact, expert opinions, substantiating documents, and exhibits, supporting the changes requested, the commission shall upon complaint or may upon its own motion, upon reasonable notice to the governing bodies of municipalities and counties affected, conduct a hearing to determine whether the rates are unjust or unreasonable. Pending the hearing and the decision thereon, the commission may suspend the operation of the schedule by filing of the schedule of rates and delivering to the affected telephone company a statement in writing of its reasons for the suspension at any time before the rates become effective. The suspension shall not be for a longer period than 90 days beyond the time when the schedule of rates would otherwise go into effect unless the commission finds that a longer time will be required. If a longer time is required During the suspension the commission shall determine whether all questions of the reasonableness of the rates requested raised by persons deemed interested or by the administrative division of the department of public service can be resolved to the satisfaction of the commission. If the commission finds that all significant issues raised cannot be resolved to its satisfaction, or upon petition by ten percent of the affected customers or 100 affected customers, whichever is less, it shall refer the matter to the office of hearing examiners with instructions for a public hearing as a contested case pursuant to chapter 15, and the commission may further extend the period of suspension, but in no event shall the period of suspension be more than nine months from the date when the schedule of rates would otherwise go into effect. If the commission does not make a final determination on or before the expiration of 12 months from the date the rates were initially filed, the schedule of rates shall be deemed to have been approved by the commission. The over-

charge resulting from implementation of the schedule prior to the final determination of the commission shall be refunded to the customers of the telephone company in a manner prescribed by rules of the commission. For the purposes of this subdivision "final determination" means the initial decision of the commission and not any order which may be entered by the commission in response to a petition for rehearing or other further relief. The commission may further suspend rates until it determines all such petitions."

Renumber the remaining sections

Amend the title as follows:

Page 1, line 2, after the first semicolon insert "providing for rate case settlement without a hearing; providing for the assessment of all costs of regulating"

Page 1, strike line 3

Page 1, line 4, strike everything before "amending"

Page 1, line 5, strike "sections" and insert "a section"

Page 1, line 5, strike "Section" and insert "Minnesota Statutes, 1977 Supplement, Sections 216B.16, Subdivision 2; and 237.075, Subdivision 2"

Page 1, line 6, strike "237.01"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 1364: A bill for an act relating to civil service; providing an affirmative action program for the state work force; amending Minnesota Statutes 1976, Section 43.15.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 43.15, is amended to read:

43.15 [AFFIRMATIVE ACTION; DISCRIMINATION FORBIDDEN.] *Subdivision 1.* [STATEWIDE AFFIRMATIVE ACTION PROGRAM.] *In order to assure that positions in the state civil service are equally accessible to all qualified persons, and in order to eliminate the underutilization of qualified members of protected groups, the commissioner of personnel shall adopt and periodically revise as necessary a statewide affirmative action program covering all agencies in the executive branch. The commissioner shall designate a state director of equal employment opportunity to serve in the unclassified service and to whom may be delegated the preparation, revision and implementation of the program. The statewide program and any revisions thereto shall*

be adopted as rules but individual agency affirmative action plans adopted pursuant to the statewide program shall not be adopted as rules. As used in this section, "protected group" means a group consisting of females, handicapped persons, or members of the following minorities: Black, Hispanic, Asian or Pacific Islander, American Indian or Alaskan native.

Subd. 2. [CONTENT OF STATEWIDE PROGRAM.] The statewide affirmative action program shall consist of at least the following:

(a) a statement of general goals and policies to be followed in the state civil service in respect to affirmative action;

(b) forms, procedures, standards and assumptions to be used by state agencies in the preparation of their agency affirmative action plans;

(c) goals and timetables which the state civil service as a whole will be expected to meet;

(d) periodic reporting requirements whereby the head of each agency will be required to report to the governor and the legislature on the implementation of his agency's plan.

Subd. 3. [AGENCY AFFIRMATIVE ACTION PLANS.] The head of each agency in the executive branch shall prepare and implement an affirmative action plan consistent with subdivisions 1 and 2. Prior to implementation, the plan shall be submitted to the commissioner for approval or modification. Annually, or more often if necessary, the plan shall be updated and resubmitted to the commissioner.

Subd. 4. [AFFIRMATIVE ACTION OFFICERS.] Within each agency the agency head shall appoint an affirmative action officer who shall have primary responsibility for the administration of the agency's affirmative action plan. To the extent possible consistent with complement and budget restrictions, the affirmative action officer shall devote full time to affirmative action-related activities. The officer shall report directly to the agency head on affirmative action matters. The commissioner of personnel shall implement periodic training programs for affirmative action officers and shall provide the officers with necessary technical assistance.

Subd. 5. [EXPANSION OF ELIGIBLE LISTS TO MEET AFFIRMATIVE ACTION GOALS.] When the commissioner of personnel determines that a disparity exists between the agency's work force and its approved affirmative action plan, the commissioner shall insure to the extent possible that members of the protected group for which the disparity exists are included on that portion of the eligible list of persons to be considered for appointment, which list is hereinafter referred to as the "appointment list". Notwithstanding any contrary provision of chapter 43, when a position is to be filled by open competitive examination and fewer than three individuals of a protected group for which a disparity has been determined to exist appear on the appointment list, the commissioner shall certify, if possible, as many additional names

in order from the eligible list as are necessary so that an aggregate total of three persons from all the protected groups for which a disparity has been determined to exist have been added to the appointment list. Notwithstanding any contrary provision of chapter 43, when a position is to be filled by examination other than open competitive examination and fewer than one-third of the individuals on an appointment list are members of the protected group for which a disparity has been determined to exist, the commissioner shall certify, if possible, as many additional names in order from the eligible list as are necessary so that persons from all the protected groups for which a disparity has been determined to exist comprise one-third of the appointment list or until an aggregate total of three persons from all the protected groups for which a disparity has been determined to exist have been added to the appointment list, whichever comes first.

Subd. 6. [DISCRIMINATION PROHIBITED.] No discrimination shall be exercised, threatened, or promised by any person in the civil service against, or in favor of, any applicant, eligible, or employee in the civil service because of his political or religious opinions or affiliations, or age, race, sex, or disability. Implementation of subdivisions 1 to 5 shall not be deemed a violation of this subdivision or a violation of any provisions of chapters 43 or 363, nor shall this section be construed to deny a veteran a credit afforded him pursuant to section 43.30.

Sec. 2. [TEMPORARY PROVISIONS.] This act supersedes and replaces executive orders of the governor relating to affirmative action and equal employment opportunity. Notwithstanding the foregoing, a statewide affirmative action program in effect on the effective date of this act and agency affirmative action plans adopted pursuant to that statewide program, shall be and remain effective until superseded, amended or repealed pursuant to this act.

Sec. 3. [EFFECTIVE DATE.] This act is effective July 1, 1978."

Amend the title by striking it in its entirety and inserting:

"A bill for an act relating to the state civil service; requiring a statewide affirmative action program and agency plans; providing for expanding eligible lists so as to include protected group members; amending Minnesota Statutes 1976, Section 43.15."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 633: A bill for an act relating to retirement; state employees; reducing the penalty for early retirement in certain cases; increasing the retirement annuity formula; amending Minnesota Statutes 1976, Sections 352.115, Subdivision 3; and 352.116, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, strike section 1

Page 1, line 20, strike "Sec. 2." and insert "Section 1."

Page 2, line 12, strike "only"

Page 2, line 13, after "percent" insert "and applied only"

Page 2, after line 13, insert sections to read:

"Sec. 2. Minnesota Statutes 1976, Section 352.91, Subdivision 2, is amended to read:

Subd. 2. Covered correctional service shall also mean service rendered at any time by state employees as special teachers, tradesmen and maintenance personnel certified by the commissioner of personnel as being regularly engaged in rehabilitation, treatment, custody or supervision of inmates employed at the Minnesota state reformatory for men, the state prison and the Minnesota correctional institution for women on or after July 1, 1974, other than any such employees who are 62 years of age or older as of July 1, 1974. For each special teacher who on July 1, 1974 is employed at one of the foregoing institutions and is a member of the teachers retirement association, the teachers retirement association shall transfer to the Minnesota state retirement system an amount equal to accumulated employee and employer contributions, including any additional employer contributions on behalf of such employee. *The term "special teacher" shall also include the classifications of institution educational administrator and supervisor.*

Sec. 3. Minnesota Statutes, 1977 Supplement, Section 422A.32, Subdivision 2, is amended to read:

Subd. 2. [REDUCED RETIREMENT ANNUITY.] Upon separation from service, any coordinated employee who has attained the age of at least 58 years and who has received credit for not less than 20 years of service is entitled upon application to a retirement annuity in an amount equal to the normal coordinated retirement annuity reduced by one-half of one percent for each month that a coordinated employee is under age 65 at the time of retirement; provided however that for any coordinated employee who has received credit for 30 or more years of service who applies for a retirement annuity, ~~such reduction the normal coordinated retirement annuity shall be applied reduced by one quarter of one percent~~ for each month that the coordinated employee is under age 62 at the time of retirement.

Sec. 4. *Minnesota Statutes 1976, Section 356.34, as amended by Laws 1977, Chapter 429, Section 49, is repealed.*

Renumber the remaining section

Amend the title as follows:

Page 1, Line 2, after "employees" insert "and Minneapolis municipal employees"

Line 4, after "formula;" insert "clarifying the term "special teacher" in correctional plan; repealing 15 percent limit on average salary computation;"

Line 6, strike "352.115, Subdivision 3; and"

Line 7, after "1" insert "; and 352.91, Subdivision 2; and Minnesota Statutes, 1977 Supplement, Section 422A.32, Subdivision 2; repealing Minnesota Statutes 1976, Section 356.34, as amended."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was re-referred

S. F. No. 507: A bill for an act relating to public welfare; licensing and regulating social workers; establishing the board of social work examiners; appropriating money; amending Minnesota Statutes 1976, Section 214.01, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. [POLICY.] The legislature reasserts its policy that no human services occupation should be credentialled until reviewed by the human services occupations advisory council as prescribed in sections 214.13 and 214.14. The legislature finds that social workers are engaged in a human services occupation and are therefore within the jurisdiction of the council's review authority. The legislature further finds that the social worker occupation is important to the health and welfare of citizens of this state and should receive prompt and thorough attention by the council. The legislature therefore intends by this act to expedite review by the council although the legislature does not by this act indicate a preference in respect to the credentialling of social workers.

Sec. 2. [DUTIES OF ADVISORY COUNCIL.] The human services occupations advisory council shall, pursuant to section 1 and section 214.13, report to the legislature no later than January 1, 1979, on whether the credentialling of social workers is necessary to protect the health and welfare of the citizens of the state. If the council determines that registration is appropriate, a copy of the report shall be delivered to the board of health. If the council determines that licensing or other legislation is appropriate, the council shall include draft legislation and rules as part of its report. In preparing its report, the council shall consult with representatives of social worker organizations and professional societies, clients and employers.

Sec. 3. [EFFECTIVE DATE.] This act is effective the day following final enactment and shall expire June 30, 1979."

Amend the title by striking it in its entirety and inserting

"A bill for an act relating to licensed occupations; providing for an expedited review by the human services occupations advisory council in respect to the regulation of social workers; requiring a report."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H. F. No. 1665: A bill for an act relating to law libraries; amending Minnesota Statutes 1976, Sections 140.41, Subdivision 1; 140.42, Subdivision 1; and 140.43, Subdivision 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H. F. No. 1612: A bill for an act relating to military justice; providing for military judges; modifying court composition and punishment authority; making other changes consistent and current federal military law; amending Minnesota Statutes 1976, Sections 192A.015; 192A.02; 192A.045; 192A.06; 192A.085; 192A.09; 192A.10; 192A.105; 192A.11, Subdivision 3; 192A.12; 192A.13; 192A.14; 192A.145, Subdivisions 3 and 4; 192A.15; 192A.155; 192A.16; 192A.165; 192A.18, Subdivisions 1 and 2; 192A.195; 192A.205; 192A.21, Subdivision 2; 192A.215; 192A.22; 192A.225; 192A.23; 192A.245; 192A.25, Subdivision 2; 192A.265, Subdivision 1; 192A.275; 192A.28; 192A.29; 192A.305; 192A.315; 192A.345, Subdivisions 2 and 3; 192A.355; 192A.47; 192A.555; 192A.585; 192A.595, Subdivision 1; 192A.61, Subdivision 3; 192A.615; Chapter 192A by adding sections; and repealing Minnesota Statutes 1976, Sections 192A.01, Subdivision 2; 192A.04, Subdivisions 4 and 5; 192A.125; and 192A.565.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Wegener from the Committee on Local Government, to which was referred

H. F. No. 1119: A bill for an act relating to Ramsey county; providing for additional membership on its civil service commission; further prescribing and clarifying the duties of the commission; eliminating per diem payments for library board members; amending Laws 1974, Chapter 435, Section 3.02; repealing Laws 1974, Chapter 435, Section 1.0208.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 21, strike "(a) *The Ramsey county board of*"

Page 1, strike lines 22 to 24

Page 2, line 1, strike "(b)" and insert "(a)"

Page 2, strike lines 7 to 12

Reletter the remaining clauses in sequence

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Wegener from the Committee on Local Government, to which was referred

H. F. No. 935: A bill for an act relating to counties; powers of the boards of county commissioners; including the board of county commissioners of Ramsey County among those county boards that may set expense allowances for members of certain boards and agencies; amending Minnesota Statutes 1976, Section 375.47, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Amend the title as follows:

Page 1, line 2, strike "powers of the boards of"

Page 1, line 3, strike "county commissioners;"

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

Mr. Wegener from the Committee on Local Government, to which was referred

H. F. No. 1793: A bill for an act relating to Ramsey county; authorizing the county to issue general obligation bonds for the costs of construction of a county nursing home; amending Laws 1974, Chapter 435, by adding a section.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Wegener from the Committee on Local Government, to which was referred

H. F. No. 1225: A bill for an act relating to Ramsey county and the city of Saint Paul; changing the name of the Ramsey county hospital and sanitarium commission; further prescribing its powers and duties, removing obsolete provisions; amending Laws 1974, Chapter 435, Section 3.14.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Tennessen from the Committee on Commerce, to which was referred

S. F. No. 2287: A bill for an act relating to medical malpractice insurance; extending the temporary joint underwriting association

for an additional two year period; amending Minnesota Statutes 1976, Section 62F.01; repealing Laws 1976, Chapter 242, Section 16.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 14, strike "*June 30*" and insert "*September 1*"

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

Mr. Tennesen from the Committee on Commerce, to which was referred

S. F. No. 2044: A bill for an act relating to insurance; permitting employees to opt for lower benefits provided by certain group insurance contracts; amending Minnesota Statutes 1976, Section 471.616, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes, 1977 Supplement, Section 471.616, Subdivision 1, is amended to read:

471.616 [GROUP INSURANCE: GOVERNMENTAL UNITS.]
Subdivision 1. [BIDDING REQUIRED.] No governmental subdivision, political subdivision, or any other body corporate and politic authorized by law to purchase group insurance for its employees and providing or intending to provide such group insurance protections and benefits for 25 or more of its employees shall enter into a contract for or renew any such group insurance policy or contract without calling for bids and awarding the contract to the lowest responsible bidder by way of competitive bidding procedures similar to those for the provision of services and supplies under Minnesota Statutes 1971, Section 16.07, Subdivisions 1, 2, 4 and 5. Lowest responsible bidder means the insurer or service plan corporation submitting the lowest premium rate or the lowest charge for expenses and risk taking in accordance with the specifications for the coverage and administrative services from among such insurers or service plan corporations authorized to do business in this state which are deemed by the governmental unit to be financially able to carry the risk proposed and are capable of satisfactorily performing the administration of the policy or contract. The cost of changing insurers may also be considered in determining the lowest premium rate or the lowest charge for expenses and risk taking. The aggregate value of benefits provided by a contract entered into after July 1, 1973 shall not be less than those provided by the preexisting contract (a) unless a majority of the employees covered under the group insurance plan and voting on the question agree to a reduction in the benefits, if the employees are not represented by an exclusive representative pursuant to section 179.67, or (b) unless the public employer and the exclusive representative of the employees of an appropriate bargaining unit, certified pursuant to

section 179.67, agree to a reduction in the benefits. (c) The aggregate value of benefits of any former employee who has retired shall not, in any event, be reduced pursuant to clause (a) or (b) unless he has individually agreed to the reduction.

No such contract need be submitted to bid more frequently than once every 48 months, unless for any reason whatsoever, a 50 percent or greater change in the premium under the policy contract is provided, required or indicated.

When an insurer proposes an increase in rates, it shall accompany its proposal with an aggregate claims record for the appropriate period that explains the proposed increase. When a contract is re-submitted for bids the aggregate claims record shall accompany the specifications for the contract."

Amend the title as follows:

Page 1, line 5, strike "1976" and insert ", 1977 Supplement"

And when so amended the bill do pass. Amendments adopted.
Report adopted.

Mr. Tennessen from the Committee on Commerce, to which was referred

S. F. No. 2369: A bill for an act relating to the city of Chisholm; authorizing an on-sale liquor license for Chisholm sports arena.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 20, strike everything after the period

Page 1, strike line 21

Page 2, strike lines 1 to 3

Page 2, line 4, strike everything through the period

And when so amended the bill do pass. Amendments adopted.
Report adopted.

Mr. Tennessen from the Committee on Commerce, to which was referred

S. F. No. 1983: A bill for an act relating to insurance; regulating minimum nonforfeiture benefits and reserves of insurance policies and annuity contracts; amending Minnesota Statutes 1976, Sections 61A.08; 61A.21; 61A.24, Subdivisions 1, 9 and 11; 61A.25, Subdivisions 3, 3a, 4, 5, 6, 7, and by adding a subdivision, and Chapter 61A, by adding a section.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 22, strike "of this act"

Page 2, line 10, strike "of this act"

Page 3, line 12, strike "*the effective date of this act*" and insert "*August 1, 1978*"

Page 3, line 14, strike "*the*" and insert "*August 1, 1978*"

Page 3, line 15, strike "*effective date of this act*"

Page 4, lines 14 and 17, strike "*the effective date of this act*" and insert "*August 1, 1978*"

Page 5, line 30, strike "*such*" and insert "*the*"

Page 5, line 31, strike "*as is*"

Page 6, line 1, strike "*the*"

Page 6, line 4, strike "*such*" and insert "*the*" and strike "*as*"

Page 6, line 5, strike "*is*"

Page 6, lines 13, 18, 28 and 31, strike "*such*" and insert "*the*"

Page 7, line 2, strike "*such*" and insert "*the*"

Page 7, lines 13 and 16, strike "*such*" and insert "*that*"

Page 9, lines 17 and 23, strike "*such*" and insert "*the*"

Page 10, lines 1, 4, 8, 9 and 28, strike "*such*" and insert "*the*"

Page 11, lines 21, 24 and 26, strike "*such*" and insert "*the*"

Page 11, line 29, strike "*the effective date of this act*" and insert "*August 1, 1978*"

Page 11, line 32, after "*of*" strike "*the*"

Page 12, line 1, strike "*effective date of this act*" and insert "*August 1, 1978*"

Page 12, line 7, strike "*the second anniversary of*" and insert "*August 1, 1980*"

Page 12, strike line 8 except the period

Page 12, line 21, strike "*of this*"

Page 12, line 22, strike "*act*"

Page 12, line 25, strike "*such*"

Page 12, line 26, strike "*the effective date of this act*" and insert "*August 1, 1978*"

Page 12, line 29, strike "*the effective*" and insert "*August 1, 1978*"

Page 12, line 30, strike "*date of this act*"

Page 15, line 7, strike "*of this act*"

Page 15, line 10, strike "*the effective date of this*" and insert "*August 1, 1978*"

Page 15, line 11, strike "*act*"

Page 15, line 24, strike "*the effective date of this act*" and insert "*August 1, 1978*"

Page 15, lines 26 and 32, strike "*such*" and insert "*the*"

Page 15, line 30, strike "*the effective date of this act*" and insert "*August 1, 1978*"

Page 16, line 5, strike "*such*"

Page 16, lines 8 and 15, strike "*the effective date of*" and insert "*August 1, 1978*"

Page 16, lines 9 and 16, strike "*this act*"

Page 17, line 4, strike "*of this act*"

Page 18, line 32, strike "*such*" and insert "*the*"

Page 19, lines 3, 7, 8, 11 and 14, strike "*such*" and insert "*the*"

Page 19, line 24, strike "*of this act*"

Page 21, lines 17, 20 and 22, strike "*such*" and insert "*the*"

And when so amended the bill do pass. Amendments adopted.
Report adopted.

Mr. Tennessen from the Committee on Commerce, to which was re-referred

S. F. No. 1770: A bill for an act relating to employment; allowing employees to continue participation in certain employee group health care plans after disability or retirement; amending Minnesota Statutes 1976, Section 62A.17, Subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 62A.147, Subdivision 5, is amended to read:

Subd. 5. "Employer" means any natural person, company, corporation, partnership, association, firm, or franchise, or the state or any political subdivision which employs any employee."

Amend the title as follows:

Page 1, line 2, after "employees" insert "of the state or a political subdivision"

Page 1, line 4, strike "or retirement"

Page 1, line 5, strike "62A.17" and insert "62A.147"

Page 1, line 6, strike "3" and insert "5"

And when so amended the bill do pass. Amendments adopted.
Report adopted.

Mr. Tennessen from the Committee on Commerce, to which was referred

S. F. No. 1988: A bill for an act relating to commerce; establishing a small business consortium; creating an advisory task force on small business development programs; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 21, strike "This act" and insert "Sections 1 to 7"

Page 2, line 3, strike everything after "means" and insert "the person elected as director of the small business development consortium by the directors of the small business development programs of the eligible participants."

Page 2, strike lines 4 and 5

Page 2, line 17, strike "PURPOSE" and insert "DUTIES"

Page 2, line 17, strike "purpose of this" and insert "small business development"

Page 2, line 17, strike "is" and insert "shall"

Page 2, line 18, strike "to"

Page 3, lines 6 and 8, strike "by" and insert "On or before"

Page 3, line 10, strike "achieving the purposes of" and insert "fulfilling the duties imposed by"

Page 3, line 29, strike "director" and insert "directors"

Page 3, line 30, strike everything before the first comma and insert "programs of the eligible participants"

Page 4, line 10 strike everything after "be" and insert "elected by the task force members"

Page 4, line 11 strike everything before the period

Page 5, line 14, after "capacity" insert "to the small business development consortium"

Page 5, line 23, strike everything after "development" and insert "consortium"

Page 5, line 24, strike everything before "the"

And when so amended the bill be re-referred to the Committee on Finance without recommendation. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 1781: A bill for an act relating to education; providing for certain adjustments in aids to education; tax levies, and the distribution of tax revenues; granting certain powers and duties to

school boards, school districts, school bus contractors, the commissioner of education, the state board of education, the state board for vocational education, and the board of teaching; allowing certain fees; establishing formulas for travel aid and aid for certain secondary vocational education programs; increasing incentives for teacher mobility; appropriating money; amending Minnesota Statutes 1976, Sections 6.62, Subdivision 1; 120.17, Subdivision 3; 120.64, Subdivision 4; 120.73, by adding a subdivision; 121.21, Subdivision 6; 121.216; 121.904, Subdivision 7, and by adding a subdivision; 122.23, by adding subdivisions; 123.34, Subdivisions 4 and 8; 123.37, Subdivisions 1b, 3 and 4; 123.39, by adding subdivisions; 124.15, Subdivisions 2 and 6; 124.17, by adding a subdivision; 124.212, Subdivision 20; 124.222, by adding a subdivision; 124.563, Subdivision 2; 124.565, by adding a subdivision; 125.12, Subdivisions 6a and 6b; 125.185, Subdivision 4, and by adding a subdivision; 126.12; 127.25, Subdivisions 1, 2, and by adding a subdivision; 128A.02, by adding a subdivision; 128A.03, Subdivision 2; 134.03; 275.125, Subdivisions 6, 15, 16 and 18, and by adding a subdivision; 275.48; 298.39; 298.396; 471.16, Subdivision 1; 471.61, Subdivision 1; Chapter 120, by adding a section; Chapter 124, by adding sections; Minnesota Statutes, 1977 Supplement, Sections 121.912, Subdivision 1; 124.17, Subdivision 1; 124.212, Subdivisions 5a and 8a; 124.214; 124.222, Subdivision 6; 124.223; 124.32, Subdivisions 1b, 5 and 7; 124.562, Subdivision 1; 124.563, Subdivision 1; 124.572, Subdivision 3; 124.573, Subdivisions 2, 3, and by adding a subdivision; 125.60, Subdivision 2; 125.61, Subdivisions 1 and 2; 176.011, Subdivision 9; 275.07; 275.124; 275.125, Subdivisions 2a, 9 and 13; 298.28, Subdivision 1; Laws 1967, Chapter 33, by adding a section; Laws 1967, Chapter 822, Section 7, as amended; Laws 1969, Chapter 775, Section 4, Subdivision 1 and Subdivision 2, as amended; Laws 1969, Chapter 1060, Section 7, as amended; Laws 1971, Chapter 722, Section 1, as amended; Laws 1974, Chapter 237; Laws 1977, Chapter 447, Article I, Section 23, Subdivision 2 and Article III, Section 16, Subdivision 2; repealing Minnesota Statutes 1976, Sections 120.065; 120.07; 124.02; 124.16; Minnesota Statutes, 1977 Supplement, Sections 123.39, Subdivision 5a; and 124.213.

Reports the same back with the recommendation that the bill be amended as follows:

Page 68, line 18, after "(c)" insert "and part (d)"

Page 68, line 25, after "(c)" insert "and part (d)"

Page 69, after line 13, insert:

"(d) 25 percent of the tax remaining in part (b) after deduction of the distribution pursuant to part (c) shall be distributed to a group of school districts comprised of those school districts wherein the taconite was mined or quarried or the concentrate produced or in which there is a qualifying municipality as defined by section 273.134 or in which is located property which is entitled to the reduction of tax pursuant to section 273.135, subdivision 2, clause (c). It shall be distributed to such qualifying school districts by dividing the amount herein provided by the direct proportion of

such school districts' pupil units to the total pupil units of such qualifying districts. Notwithstanding the provisions of section 124.212, subdivision 8a, clause (2) and the provisions of section 275.125, subdivision 9, clause (2) or any other law to the contrary, the amount which a school district is entitled to receive pursuant to this clause shall not be applied to reduce foundation aids which such school district is entitled to receive pursuant to section 124.212 or the permissible levies of the district."

Pages 86 and 87, strike Section 85

Pages 89 and 90, strike Section 92

Page 91, line 4, strike "1967" and insert "1977"

Page 91, line 20, after "in" insert "section 94, subdivision 2, and in"

Page 91, line 29, after "84," insert "91,"

Page 91, line 29, after "92" strike the comma and insert "and"

Page 91, line 29, strike ", 94,"

Page 91, line 30, strike "and 95"

Renumber the sections in sequence

Amend the title as follows:

Page 2, line 10, strike "Laws 1974, Chapter 237;"

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

Mr. Tennessen from the Committee on Commerce, to which was referred

S. F. No. 2075: A bill for an act relating to employments licensed by the state; concerning architects, engineers, surveyors, and landscape architects; amending Minnesota Statutes 1976, Section 326.03, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 326.03, Subdivision 1, is amended to read:

326.03 [LICENSE REQUIRED.] Subdivision 1. No person, except an architect, engineer, land surveyor or landscape architect, licensed as provided for in sections 326.02 to 326.15 shall practice architecture, professional engineering, land surveying or landscape architecture, respectively, in the preparation of plans, specifications, ~~report~~ reports, plats or other architectural, engineering, land surveying or landscape architectural documents, or in the observation of architectural, engineering, land survey-

ing or landscape architectural projects. *All the documents shall meet and be in full compliance with all applicable building codes and ordinances.*

Sec. 2. Minnesota Statutes 1976, Section 326.03, Subdivision 2, is amended to read:

Subd. 2. Nothing contained in sections 326.02 to ~~326.15~~ 326.15 shall prevent persons from advertising and performing services such as consultation, investigation, or evaluation in connection with, or from making plans and specifications for, or from supervising, the erection, enlargement, or alteration of any of the following buildings:

(a) Dwellings for single families, and outbuildings in connection therewith, such as barns and private garages;

(b) Two family dwellings;

(c) Any farm building or accessory thereto;

(d) Temporary buildings or sheds used exclusively for construction purposes, not exceeding two stories in height, and not used for living quarters;

(e) Any public work or public improvement done by a public body in this state, the cost of which does not exceed \$30,000 \$100,000, provided that plans and specifications for such work or improvement affecting water supply or waste disposal are approved by the appropriate state agency; or

(f) Any building, structure, or work, the total cost of which does not exceed \$30,000 \$100,000.

Sec. 3. Minnesota Statutes 1976, Section 326.06, is amended to read:

326.06 [GENERAL POWERS AND DUTIES OF BOARD.] Each member of the board shall receive a certificate of appointment from the governor, and, before beginning his term of office, shall file with the secretary of state the constitutional oath of office. The board shall adopt and have an official seal, which shall be affixed to all licenses granted; shall make all rules, not inconsistent with law, needed in performing its duties; and shall fix standards for determining the qualifications of applicants for certificates, which shall not exceed the requirements contained in the curriculum of a recognized school of architecture, landscape architecture or engineering. *The board shall make rules to define classes of buildings with respect to which persons performing services described in section 326.03, Subdivision 2, may be exempted from the provisions of sections 326.02 to 326.15, by a finding of no probable risk to life, health, property or public welfare. These rules shall be promulgated on or before April 1, 1979. Upon the adoption of these rules, section 326.03, subdivision 2, clauses (e) and (f), and section 2 are superseded and of no effect.*

Sec. 4. [EFFECTIVE DATE.] *Section 2 is effective April 2.*

1979. Sections 1 and 3 are effective the day following final enactment."

Amend the title as follows:

Page 1, strike lines 3 to 5 and insert "requiring the services of a licensed architect, engineer, surveyor or landscape architect for the supervision, erection or alteration of buildings and structures exceeding certain specified costs; requiring compliance with applicable building codes and ordinances; prescribing certain duties of the licensing board; amending Minnesota Statutes 1976, Sections 326.03, Subdivisions 1 and 2; and 326.06."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 2165: A bill for an act relating to retirement; increased benefits of former probate judges; payment by the Minnesota state retirement system; appropriating money; amending Minnesota Statutes 1976, Chapter 490, by adding a section.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Chapter 490, is amended by adding a section to read:

[490.107] [RETIREMENT BENEFITS; INCREASE AND PAYMENT.] (1) *Effective July 1, 1978, all retirement and disability benefits payable pursuant to sections 490.11, 490.12, subdivisions 1 and 2, and 487.06, commencing with the monthly benefit payment accruing on and after July 1, 1978 shall be paid by the Minnesota state retirement system.*

(2) *On the effective date of this act the balance of the sums appropriated to the commissioner of finance by Laws 1977, Chapter 432, for payment of the disability benefit made pursuant to sections 490.11 and 490.12, subdivision 1, shall be paid to the Minnesota state retirement system, judges retirement fund.*

(3) *Prior to July 1, 1978, the county auditors of the counties which on the effective date of this act are liable for the payment of retirement benefits pursuant to sections 487.06 and 490.12, subdivision 2, shall certify to the executive director of the Minnesota state retirement system the amount of the monthly benefit that the former judge of that county is or will be entitled to receive and, on June 30, 1978, and each June 30 thereafter, shall pay to the Minnesota retirement system an amount equal to the annual retirement benefit due such retired judge for the following fiscal year plus \$25 for administrative expense. In the event of the death of the retired judge, the director shall refund to the county any unexpended balance of the moneys the county had paid.*

(4) On July 1, 1978, the retirement benefits due and payable as certified by the county auditors and disability benefit paid by the state pursuant to Minnesota Statutes, 1977 Supplement, Section 15A.083, Subdivision 3, shall be increased in accordance with the following schedule:

Benefit payments which initially had commenced:	Shall be increased on July 1, 1978 by the following percentages:
Prior to July 1, 1969	19.4 percent
Between July 1, 1969 and June 30, 1970	15.3 percent
Between July 1, 1970 and June 30, 1971	13.0 percent
Between July 1, 1971 and June 30, 1972	8.2 percent
Between July 1, 1972 and June 30, 1976	4.0 percent

(5) On and after July 1, 1978, these retirement and disability benefits shall be payable from the judges retirement fund but shall thereafter be adjusted in the same manner and at the same time as other benefits payable from the Minnesota adjustable fixed benefit fund. The benefit level in effect on July 1, 1978, including the increase pursuant to clause (4), shall be deemed to be the originally determined benefit for the purpose of future adjustments.

Sec. 2. [APPROPRIATION.] There is hereby appropriated from the general fund to the executive director of the Minnesota state retirement system, to be deposited in the judges retirement fund, the sum of \$10,000 to be available for the fiscal year ending June 30, 1979, for the payment of the increases provided in section 1, clause (4).

Sec. 3. This act is effective the day following final enactment."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 1667: A bill for an act relating to public buildings; authorizing expenditures for works of art; requiring part of appropriation for building construction be designated for acquisition of works of art; amending Minnesota Statutes 1976, Chapters 16 and 139 by adding sections.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 1 to 3, strike sections 2 and 3 and insert

"Sec. 2. Minnesota Statutes 1976, Chapter 139, is amended by adding a section to read:

[139.19] [STATE BUILDINGS; ART ACQUISITIONS.]
Subdivision 1. [DEFINITIONS.] As used in this section the following terms shall have the meanings given them:

(a) "Board" means the state board of the arts;

(b) "Acquire" or "acquisition" means purchase of a completed work of art or commissioning for the future production of a work of art;

(c) "Art acquisition funds" means one percent of the amount of money appropriated in respect to a state building after June 30, 1979, for alteration, renovation or construction costing in excess of \$100,000;

(d) "Building" or "state building" means a structure the title to which is in, or will be in upon construction, the state of Minnesota or any department or agency thereof, and for which the alteration, renovation or construction is or was financed in whole or part by state appropriations.

Subd. 2. [REQUEST FOR BUILDING COSTS; NOTICE OF APPROPRIATION.] A state department or agency shall include art acquisition funds in its request for appropriations for the alteration, renovation or construction of a state building. Within 30 days after the effective date of an appropriation for the alteration, renovation or construction, the commissioner of finance shall advise the board of the amount of art acquisition funds available in connection with that building.

Subd. 3. [APPROPRIATION; USE OF FUNDS.] There is appropriated to the state board of the arts all art acquisition funds. Except as provided in subdivision 5, the funds so appropriated shall be used by the board for the acquisition of works of art, excluding landscaping, which shall become an integral part of the affected state building or its adjacent grounds, shall be attached or affixed thereto, or shall be capable of being exhibited in that building. Title to the works of art acquired through purchase shall be vested in the state of Minnesota.

Subd. 4. [METHOD OF ACQUISITION.] Upon receipt of the notice specified in subdivision 2, the board shall solicit the recommendations of the designers of the building, the principal user agencies of the building, artists, arts administrators, arts educators, and residents of the region in which the building is located. After receiving these recommendations the board shall acquire art pursuant to acquisition procedures and standards to be specified by the board by rule. Consideration for acquisition shall first be given to works of art produced by artists who are residents of Minnesota, then to residents of the Upper Midwest area and, lastly, to all others. In conformance with the provisions of this section, the board shall have sole ultimate responsibility for the selection, review of applicable designs, execution, placement and acceptance of all acquisitions made with art acquisition funds.

Subd. 5. [SPECIAL ART ACQUISITION ACCOUNT.] Notwithstanding the provisions of subdivisions 3 and 4, if art acquisition funds are available in connection with the alteration, renovation or construction of a state building, and if the board and the commissioner of administration determine that the building is inappropriate for the placement of works of art because of the type of operations carried on therein or because of limited public

access, then there shall be no art acquisition funds in connection with that building. There is created a special art acquisition account in the state treasury to receive any portions of art acquisition funds associated with a state building which remain unencumbered one year after completion of the alteration, renovation or construction of that building. All moneys in the special art acquisition account are appropriated to the board for the acquisition of works of art to be placed by the board in those buildings or adjacent grounds for which art acquisition funds were not available. To the extent possible, works of art acquired under this subdivision shall be placed in buildings within the same county of the building from which the relevant art acquisition funds were derived.

Subd. 6. [TRANSFER OF WORKS OF ART.] After consultation with the commissioner of administration and the principal user agencies of the affected state buildings, the board may transfer works of art acquired with art acquisition funds within or between state buildings whenever the board determines that the transfer will benefit the citizens of this state.

Subd. 7. [MAINTENANCE AND ADMINISTRATIVE COSTS.] Maintenance and repair costs for works of art acquired with art acquisition funds shall be paid for out of appropriate building maintenance accounts of the buildings with which the works of art are associated. Maintenance or repair of these works of art shall be performed under the supervision of the board. Administrative costs of the board associated with the administration of this section shall be paid for out of the board's administrative services budget.

Sec. 3. [APPROPRIATION.] There is appropriated to the board of the arts for the year ending June 30, 1979, the sum of \$15,000 to be used for the promulgation of rules as provided in this act."

Amend the title as follows:

Page 1, line 5, after "art" insert "by the state board of the arts; appropriating money"

Page 1, line 6, strike "Chapters 16 and" and insert "Chapter"

Page 1, line 7, strike "sections" and insert "a section"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Olson from the Committee on General Legislation and Veterans Affairs, to which was referred the following appointment as reported in the Journal for March 2, 1978:

BOARD OF THE ARTS

Alvina O'Brien

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Borden moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Coleman from the Subcommittee on Bill Scheduling, to which were referred S. F. Nos. 740, 2159, 2370, 2371, 2130, 1618, 2182, 2170, 2178, 1623, 1117, 1345, 2117, 1926, 1917, 2248, 2186, 2256, 2158, 1985, 1976, 1697, 2205, 2300, 427, 1717, 814, 1935, 1442, 1788, 1450 and H. F. Nos. 1908, 2000, 1878 makes the following report:

That S. F. Nos. 740, 2159, 2370, 2371, 2130, 1618, 2182, 2170, 2178, 1117, 1345, 2117, 1926, 1917, 2248, 2186, 2256, 2158, 1985, 1976, 1697, 2205, 2300, 427, 1717, 814, 1935, 1442, 1788, and H. F. Nos. 1908, 2000, 1878 be placed on the General Orders Calendar in the order indicated.

That S. F. Nos. 1623 and 1450 are being retained in the Subcommittee.

That there were no other bills before the Subcommittee on which floor action was requested. Report adopted.

SECOND READING OF SENATE BILLS

S. F. Nos. 1636 and 2287 were read the second time.

S. F. Nos. 2355, 1543, 2251, 2181, 1918, 2082, 1663, 1644, 2076, 2316, 2356, 1590, 2204, 2081, 1364, 633, 507, 2044, 2369, 1983, 1770 and 2075 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. Nos. 935 and 1793 were read the second time.

H. F. Nos. 1966, 1665, 1612, 1119 and 1225 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

Without objection, the Senate reverted to the Order of Business of Introduction and First Reading of Senate Bills.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bill was read the first time and referred to the committee indicated.

Messrs. Luther, Willet, Borden and Sikorski introduced—

S. F. No. 2393: A bill for an act relating to solid and hazardous wastes and toxic substances; providing for technology assessments and related research directed to certain goals; requiring studies and reports by the state planning agency, the pollution control agency, and the energy agency; establishing a temporary state solid and hazardous waste advisory task force; appropriating money.

Referred to the Committee on Agriculture and Natural Resources.

Without objection, the Senate reverted to the Order of Business of Reports of Committees.

REPORTS OF COMMITTEES

Mr. Borden moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Tennesen from the Committee on Commerce, to which was referred

H. F. No. 1813: A bill for an act relating to the town of Leota in Nobles county; authorizing the establishment of detached banking facilities.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 16 insert

"Sec. 2. [FINDINGS.] The legislature finds that the laws governing our financial institutions have not been reviewed as a whole by the governing bodies of this state for over forty years; that during that period major and significant social, competitive and technological changes have occurred which have affected many categories of financial institutions; and that a comprehensive study of the effects of these changes upon the institutions and existing laws and the resulting need for any changes in our laws is necessary to ensure that the financial institutions of this state may develop to their maximum extent and to ensure that the future financial needs of the citizens and institutions are met.

Sec. 3. [STUDY COMMISSION ON FINANCIAL INSTITUTIONS.] Subdivision 1. A study commission is hereby created to study and report on the services and regulation of financial institutions in Minnesota, including banks subject to chapter 48; savings banks organized and operated pursuant to chapter 50; savings and loan associations subject to chapter 51A; credit unions organized pursuant to chapter 52; industrial loan and thrift companies organized pursuant to chapter 53; small loan companies subject to chapter 56; federally-chartered banks, savings and loan associations and credit unions; insurance companies, to the extent of their credit extension activities only; and such other financial institutions as the commission deems necessary and important to carry out its duties under this section.

Subd. 2. The commission shall consist of seven members appointed by the governor. The members shall be knowledgeable in the area of financial services and shall have had practical experience in the provision of financial services, regulation of financial service providers, representation of interests of consumers of financial services, or actual use of financial services to a significant degree, but shall not be employees of the financial services industry. Members shall serve until December 31, 1979. The compensation of members, their removal and the filling of vacancies shall be as provided in section 15.059.

Subd. 3. The commission shall study, make findings and recommendations, and report on:

(a) the roles, functions and services of all categories of financial institutions, their inter-relationships and any specific changes in state laws;

(b) the expected future need for capital and financial services of all consumers and the means to achieve the needs;

(c) the feasibility of and methods for this state becoming a more significant financial center;

(d) regulation of the structure of the financial services industry, competition within the financial services industry and consumer protection;

(e) the propriety of present interest rate ceilings and the need for alternative systems for altering interest rate ceilings; and

(f) the adequacy of or need for the present degree of regulation of financial institutions by the commissioner of banking.

Subd. 4. The commission may study, make findings and recommendations and report on other matters the commission believes necessary and important.

Subd. 5. The commission shall hold meetings and hearings at the times and places it designates to accomplish the purposes set forth in this section. It shall select a chairman and vice chairman from its membership. The commission may conduct inspections, take testimony, require by subpoena the attendance of witnesses and production of records and documents, and administer oaths as it deems advisable to accomplish the purposes set forth in this section. A subpoena shall be issued only upon an affirmative vote of a majority of all members of the commission. Subpoenas shall be issued over the signature of the chairman and shall be served by any person designated by the chairman. Any member of the commission may administer oaths or affirmations to witnesses appearing before the commission.

Subd. 6. The commission shall have authority to employ staff, rent office space and enter into contracts. Commission members shall be compensated at the rate of \$50 per day spent on commission activities, when authorized by the commission, plus expenses in the same manner and amount as received by state employees.

Subd. 7. The chairman of the commission, or the vice chairman in the absence of the chairman, shall be the official spokesman of the commission in its relations with the legislature, governmental agencies, other persons and the public, and, on behalf of the commission, shall see that the administrative policies and decisions of the commission are faithfully executed.

Sec. 4. [APPROPRIATION.] There is appropriated from the general fund to the legislative coordinating commission the sum of \$ for the period ending December 31, 1979, to pay the expenses incurred by the commission."

Page 1, line 17, strike "This act" and insert "Section 1"

Page 1, after line 19, insert

"Sections 2 to 4 are effective the day following final enactment."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, strike everything before the semicolon and insert "relating to financial institutions"

Page 1, line 4, before the period insert "in the town of Leota in Nobles County; providing for the creation of a study commission to study services and regulation of financial institutions; appropriating money"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Borden moved that the Senate do now adjourn until 11:15 o'clock a.m., Wednesday, March 8, 1978. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

EIGHTY-SIXTH DAY

St. Paul, Minnesota, Wednesday, March 8, 1978

The Senate met at 11:15 o'clock a.m. and was called to order by the President.

Prayer was offered by the Chaplain, Monsignor Ambrose V. Hayden.

CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate. The following Senators answered to their names:

Anderson	Dunn	Lewis	Olson	Sikorski
Ashbach	Gearty	Luther	Penny	Staples
Bang	Gunderson	McCutcheon	Peterson	Stokowski
Benedict	Hughes	Menning	Pillsbury	Strand
Bernhagen	Jensen	Merriam	Purfeerst	Stumpf
Chenoweth	Johnson	Moe	Schaaf	Wegener
Coleman	Keefe, S.	Nelson	Schmitz	Willet
Davies	Laufenburger	Nichols	Schrom	
Dieterich	Lessard	Olhoff	Sieloff	

The Sergeant at Arms was instructed to bring in the absent members.

The roll was called, and the following Senators answered to their names:

Anderson	Frederick	Knutson	Olson	Spear
Ashbach	Gearty	Laufenburger	Penny	Staples
Bang	Gunderson	Lessard	Peterson	Stokowski
Benedict	Hughes	Lewis	Pillsbury	Strand
Bernhagen	Humphrey	Luther	Purfeerst	Stumpf
Borden	Jensen	McCutcheon	Renneke	Tennessee
Chenoweth	Johnson	Menning	Schaaf	Ueland, A.
Chmielewski	Keefe, J.	Merriam	Schmitz	Ulland, J.
Coleman	Keefe, S.	Moe	Schrom	Vega
Davies	Kirchner	Nelson	Setzpfandt	Wegener
Dieterich	Kleinbaum	Nichols	Sieloff	Willet
Dunn	Knaak	Ogdahl	Sikorski	
Engler	Knoll	Olhoff	Solon	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

MEMBERS EXCUSED

Mrs. Brataas, Messrs. Hanson, Perpich, Renneke and Sillers were excused from the Session of today.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

March 8, 1978

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

The following appointment to the Board of the Arts is hereby respectfully submitted to the Senate for confirmation as required by law:

Mary Leach, 424 Prospect, Owatonna, Steele County, has been appointed by me, effective November 18, 1977, for a term expiring the first Monday in January, 1980.

Sincerely,
Rudy Perpich, Governor

Referred to the Committee on General Legislation and Veterans Affairs.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Mr. Nichols introduced—

S. F. No. 2394: A bill for an act relating to commerce; authorizing the commission of the department of commerce to revoke a bank charter or recommend revocation of a federal bank charter under certain conditions; amending Minnesota Statutes 1976, Chapter 45, by adding a section.

Referred to the Committee on Commerce.

Messrs. Setzepfandt and Stokowski introduced—

S. F. No. 2395: A bill for an act proposing an amendment to the Minnesota Constitution, Article IV, Section 4; providing four year terms for state representatives.

Referred to the Committee on Judiciary.

Mr. Dieterich introduced—

S. F. No. 2396: A bill for an act relating to housing; requiring certain disclosures of noise conditions affecting residential real estate; providing certain remedies; prescribing penalties.

Referred to the Committee on Commerce.

Messrs. Setzepfandt, Wegener, Johnson, Peterson and Olson introduced—

S. F. No. 2397: A bill for an act relating to taxation; income

tax; providing a credit for certain members of the national guard; amending Minnesota Statutes 1976, Section 290.06, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith transmitted:

S. F. Nos. 1713 and 1959.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned March 7, 1978

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted:

H. F. Nos. 1403, 1760, 1770, 1865, 1900, 2025, 2096, 2155, 2163, 2219, 2224, 2228, 2278, 2279, 2282, 1910, 2048, 2176, 933, 2330, 2332, 2401, 2419, 1851, 1991, 2204, 2214, 2216, 1734, 2014, 2220 and 2348.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted March 7, 1978

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of three members of the House, on the amendments adopted by the House to the following Senate File:

S. F. No. 804: A bill for an act relating to highway traffic regulations; driving under the influence of alcohol or controlled substances; chemical tests and consent therefor; providing for immediate notice of revocation of a driver license or permit, retention of the license or permit by a court or peace officer and the substitution of temporary licenses under certain circumstances; providing for county court jurisdiction over prosecution for certain offenses; prescribing penalties; amending Minnesota Statutes 1976, Sections 169.121; 169.123; 169.127; and Chapter 169, by adding sections; repealing Minnesota Statutes 1976, Section 171.245.

There has been appointed as such committee on the part of the House:

Arlandson, Sherwood and Sieben, M.

Senate File No. 804 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned March 7, 1978

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1191.

H. F. No. 1191: A bill for an act relating to taxation; creating special districts to be called tax increment financing districts; providing for tax increment financing of renewal and development projects; amending Minnesota Statutes 1976, Chapter 273, by adding sections; Sections 458.192, Subdivision 11; 462.585, Subdivision 1; 472A.06; 473F.02, Subdivision 3; 474.10, Subdivision 2; and repealing Minnesota Statutes 1976, Sections 458.192, Subdivision 12; 462.545, Subdivision 5; 462.585, Subdivisions 2, 3 and 4; 472A.07; and 472A.08.

And the House respectively requests that a Conference Committee of five members be appointed thereon:

Kelly, W.; Pehler; Berg; Corbid and Savelkoul have been appointed as such committee on the part of the House.

House File No. 1191 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted March 7, 1978

Mr. McCutcheon, for Mr. Hanson, moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1191, and that a Conference Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1857.

H. F. No. 1857: A bill for an act relating to veterans; requiring counties to appoint a veterans service officer; amending Minnesota Statutes 1976, Section 197.60, Subdivision 1.

And the House respectfully requests that a Conference Committee of three members be appointed thereon:

Suss, Beauchamp and Biersdorf have been appointed as such committee on the part of the House.

House File No. 1857 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted March 7, 1978

Mr. Schmitz moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1857, and that a Conference Committee of 3 members be appointed by the Sub-

committee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H. F. No. 1403: A bill for an act relating to retirement; providing for service pensions of the Spring Lake Park firefighter's relief association.

Referred to the Committee on Governmental Operations.

H. F. No. 1760: A bill for an act relating to the city of Crystal; benefits payable by the firefighter's relief association; amending Laws 1969, Chapter 1088, Sections 2, 4, 5, and 6.

Referred to the Committee on Governmental Operations.

H. F. No. 1770: A bill for an act relating to retirement; definition of teacher; exemptions; amending Minnesota Statutes, 1977 Supplement, Section 354.05, Subdivision 2.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1590 now in the Subcommittee on Bill Scheduling.

H. F. No. 1865: A bill for an act relating to retirement; fractional years of service for judges; amending Minnesota Statutes 1976, Sections 490.121, Subdivision 4, and by adding a subdivision; and 490.124, Subdivisions 1 and 12.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1726.

H. F. No. 1900: A bill for an act relating to the city of Mound; firefighters' service pensions; amending Laws 1973, Chapter 175, Section 1, as amended.

Referred to the Committee on Governmental Operations.

H. F. No. 2025: A bill for an act relating to the city of Chisholm; police and firemen's relief associations; reversion of funds and bond of treasurer.

Referred to the Committee on Governmental Operations.

H. F. No. 2096: A bill for an act relating to state lands; authorizing conveyance of a certain parcel of land in Beltrami county.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1968 now on General Orders.

H. F. No. 2155: A bill for an act relating to retirement; validating certain administrative expenses from the special fund of the Austin firefighter's relief association.

Referred to the Committee on Governmental Operations.

H. F. No. 2163: A bill for an act relating to retirement; adjustment of benefits of disabilitants and survivors under public pension funds; amending Minnesota Statutes 1976, Chapter 356, by adding a section.

Referred to the Committee on Governmental Operations.

H. F. No. 2219: A bill for an act relating to the city of Eagan; volunteer firefighter's service pensions; amending Laws 1975, Chapter 43, Section 1.

Referred to the Committee on Governmental Operations.

H. F. No. 2224: A bill for an act relating to the city of Nashwauk; police relief pensions and widows benefits; officers of association; amending Laws 1943, Chapter 196, Sections 4, as amended; and 8.

Referred to the Committee on Governmental Operations.

H. F. No. 2228: A bill for an act relating to retirement; authorizing an annuity for the surviving spouse of a certain deceased former member of the public employees retirement association.

Referred to the Committee on Governmental Operations.

H. F. No. 2278: A bill for an act relating to the city of Brooklyn Center; firefighter's relief association; amending Laws 1967, Chapter 815, Sections 1; 2; 3; 4; 5; 7; and 8, Subdivision 1.

Referred to the Committee on Governmental Operations.

H. F. No. 2279: A bill for an act relating to the city of Brooklyn Center; police membership in public employees police and fire fund; repealing Laws 1967, Chapter 736.

Referred to the Committee on Governmental Operations.

H. F. No. 2282: A bill for an act relating to the city of Plymouth; firefighter's relief association benefits.

Referred to the Committee on Governmental Operations.

H. F. No. 1910: A bill for an act relating to Itasca county; authorizing the exchange of certain riparian tax forfeited land for certain privately owned non-riparian land.

Referred to the Committee on Agriculture and Natural Resources.

H. F. No. 2048: A bill for an act relating to municipalities; purpose and name of range association of municipalities and schools; amending Minnesota Statutes 1976, Section 471.58.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 2037 now on General Orders.

H. F. No. 2176: A bill for an act relating to the Minneapolis police department; providing for certain employee appointments; amending Laws 1961, Chapter 108, Section 1, as amended.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 2023 now on General Orders.

H. F. No. 933: A bill for an act relating to Ramsey county; amending the Ramsey county code by rearranging certain provisions therein relating to welfare and by deleting obsolete provisions therein relating to welfare; amending Laws 1974, Chapter 435, Sections 1.0204 and 3.13.

Referred to the Committee on Local Government.

H. F. No. 2330: A bill for an act relating to retirement; consolidation of the police relief association of the city of Thief River Falls into the public employees police and fire fund.

Referred to the Committee on Governmental Operations.

H. F. No. 2332: A bill for an act relating to retirement; local police, salaried firefighters and volunteer firefighters relief associations; specifying allowable administrative expenses; amending Minnesota Statutes 1976, Sections 69.40; 423.32; 423.38; 423.51; 423.808; 424.16; and 424.31; and Laws 1974, Chapter 382, Section 4, Subdivision 3.

Referred to the Committee on Governmental Operations.

H. F. No. 2401: A bill for an act relating to the Minnesota-Wisconsin boundary area commission; providing that the terms of commissioners shall be staggered; amending Minnesota Statutes 1976, Section 1.33.

Referred to the Committee on Governmental Operations.

H. F. No. 2419: A bill for an act relating to courts; supreme court; providing for publishing of reports of decisions; amending Minnesota Statutes 1976, Section 480.12.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1952 now on General Orders.

H. F. No. 1851: A bill for an act relating to county libraries; authorizing increased membership on county library boards; amending Minnesota Statutes 1976, Section 375.33, Subdivision 4.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1957 now on General Orders.

H. F. No. 1991: A bill for an act relating to education; transportation; permitting school buses to transport senior citizens; amending Minnesota Statutes 1976, Section 123.39, by adding a subdivision.

Referred to the Committee on Education.

H. F. No. 2204: A bill for an act relating to education; school districts; separate election districts; changing the requirements for petitions for division into and changing boundaries of special election districts; amending Minnesota Statutes 1976, Section 123.32, Subdivisions 10 and 15.

Referred to the Committee on Elections.

H. F. No. 2214: A bill for an act relating to mutual insurance companies; providing for their conversion into stock companies; protecting the rights of guaranty fund certificate holders; amending Minnesota Statutes 1976, Section 66A.16, by adding a subdivision.

Referred to the Committee on Commerce.

H. F. No. 2216: A bill for an act relating to insurance companies; providing for the reporting of certain claims and other information to the commissioner of insurance; amending Minnesota Statutes 1976, Chapter 72A, by adding a section.

Referred to the Committee on Commerce.

H. F. No. 1734: A bill for an act relating to courts; permitting referees and judicial officers in certain courts; restricting appointment of referees and judicial officers; requiring the supreme court to submit recommendations; repealing Minnesota Statutes, 1977 Supplement, Sections 484.70 and 487.08.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1874.

H. F. No. 2014: A bill for an act relating to state parks; authorizing the lease of a portion of Fort Snelling state park; waiving park admission fees and authorizing a liquor license on the leased property.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 2015 now on General Orders.

H. F. No. 2220: A bill for an act relating to state employees; authorizing persons receiving annuity benefits from the Minnesota state retirement system to participate in the state group health insurance program; amending Minnesota Statutes 1976, Section 43.491 by adding a subdivision.

Referred to the Committee on Governmental Operations.

H. F. No. 2348: A bill for an act relating to highways; allow-

ing private landowners to install drainage tiles in highway right-of-way; amending Minnesota Statutes 1976, Section 160.20, by adding a subdivision.

Referred to the Committee on Transportation.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted, with the exception of the report on H. F. No. 2067 and reports pertaining to appointments. The motion prevailed.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 2275: A bill for an act relating to examining and licensing boards; abolishing the board of abstracters; altering the membership, regulatory powers, practices and supervision of certain boards; limiting criteria for issuing licenses; providing for a review of certain functions of the boards; amending Minnesota Statutes 1976, Sections 125.05, Subdivision 1; 147.02, Subdivision 1; 147.021, Subdivision 1; 148.211, Subdivision 1; 148.57, Subdivisions 1 and 3; 148.91, Subdivision 4; 148.93; 150A.06, Subdivisions 1, 2, 2a, and 4; 151.10; 153.04; 153.15; 154.05; 154.06; 154.11; 154.12; 154.22; 155.04; 155.05; 155.09, Subdivision 1; 156.02, Subdivision 1; 156.071; 156.072, Subdivision 2; 156.081, Subdivision 2; 214.04, as amended; 214.06, as amended; 214.09, Subdivision 2; 326.02, Subdivision 1; 326.10, Subdivision 1; 326.19, Subdivision 2; 326.332, Subdivision 1; 326.54; 326.546; and Chapters 214, by adding a section; 270, by adding a section; and 386, by adding a section; amending Minnesota Statutes, 1977 Supplement, Sections 148.10, Subdivision 1; and 214.01, Subdivision 3; repealing Minnesota Statutes 1976, Chapter 186; and Sections 147.11; 150A.11, Subdivisions 2, 3, and 4; 151.28; 270.41; 270.42; 270.43; 341.09; 386.61, Subdivision 3; and 386.63.

Reports the same back with the recommendation that the bill be amended as follows:

Page 10, after line 4, insert:

"Sec. 6. Minnesota Statutes 1976, Section 148.291, Subdivision 1, is amended to read:

148.291 [EXAMINATION; LICENSING.] Subdivision 1. [QUALIFICATIONS.] An applicant for a license to practice nursing as a licensed practical nurse shall apply to the board for examination on forms provided by the board and pay a fee in an amount determined by rule. An applicant applying for re-examination shall pay a fee in an amount determined by rule. In no case shall fees be refunded.

Before being scheduled for examination the applicant shall provide written evidence, verified by oath that he (a) is of good moral character, ~~(b)~~ is in good mental health, ~~(c)~~ (b) meets secondary education requirements as determined by the board and any other preliminary qualification requirements the board

may prescribe by rule, and ~~(d)~~ (c) either has completed an approved course for the training of licensed practical nurses or is enrolled in the final term of study in such program.

Refusal to supply information necessary to determine the qualifications of an applicant may result in denial of the application.

Upon submission by the applicant of an affidavit of graduation from an approved nursing program as well as proof that the applicant has passed the examination, paid the required fees and met all other requirements stated in this subdivision, the board shall issue a license to such applicant."

Page 28, line 3, strike "and" and insert a comma

Page 28, line 3, after "surveying" insert "*and landscape architecture*"

Page 29, line 24, after "in" insert "*investigation and in*"

Page 29, line 25, strike "hearings" and insert "matters"

Page 29, line 25, strike "before the boards"

Page 30, lines 19 to 23, strike the new language

Page 32, line 7, after "renewals" insert "*, providing, that the three-year limitation shall not apply to the board of teaching*"

Page 32, line 8, strike "or civil"

Page 32, line 9, after "against" insert "*, or civil actions filed against,*"

Page 33, line 12, strike "No" and insert "A"

Page 33, line 12, after the comma insert "*splitting of fees, referral fees, compensation,*"

Page 33, lines 13 and 14, strike "*which are not*" and insert "*, but only if (1) the board had specific statutory authority to adopt the rules on the effective date of the rules, (2) the rules are not inconsistent with other law and (3) the rules are immediately and*"

Page 33, after line 15, insert:

"Sec. 35. Minnesota Statutes 1976, Chapter 214, is amended by adding a section to read:

[214.16] [STANDARDS FOR LICENSURE AND RENEWAL.] *A board may adopt rules pursuant to which it may deny licensure or renewal, or may suspend or revoke a license, if a person has been convicted of a crime which the board has determined directly impugns the ability of the person competently to perform the occupation. A board may also adopt rules which are consistent with constitutional due process requirements and which permit the board to deny licensure or renewal, or to suspend or revoke a license, if the applicant or licensee fails to meet job-related standards of moral conduct and integrity.*"

Pages 33 and 34, strike section 35

Page 41, line 3, after the comma insert "*shall determine whether these functions are compatible with the licensing of persons, shall consult with persons knowledgeable in these fields, and*"

Page 41, line 12, after the period insert "*The report shall include written comments submitted by the affected boards.*"

Page 41, after line 16, insert:

"Sec. 45. [EFFECTIVE DATE.] *Sections 22, 23 and 24 relating to the structure of the boards of barber examiners and cosmetology; sections 32, 33, 34 and 35 relating to all licensing boards; and section 43 relating to the study by the commissioners; are effective the day after final enactment. The remainder of this act is effective July 1, 1979.*"

Page 41, line 14, strike "*Subdivisions 2, 3, and 4*" and insert "*Subdivision 2*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after "abstracters" insert "and the board of assessors and transferring their respective powers and duties"

Page 1, line 6, after the semicolon insert "providing for registration rather than licensure of watchmakers;"

Page 1, line 10, before "148.57" insert "148.291, Subdivision 1;"

Page 1, line 21, strike "a section" and insert "sections"

Page 1, lines 26 and 27, strike "*Subdivisions 2, 3, and 4*" and insert "*Subdivision 2*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Anderson from the Committee on Energy and Housing, to which was referred

S. F. No. 1924: A bill for an act relating to the state fire marshal; concerning the uniform fire code; providing for fee, fines and penalties; appropriating money; amending Minnesota Statutes 1976, Sections 299F.011; 299F.41, Subdivision 4; 299F.42; 299F.43, Subdivision 1; 299F.44; 299F.46; 299H.23; 299H.25; 299H.26; 299H.27; 299H.28; 299I.22; 299I.24; and Chapters 299F; 299H; and 299I, by adding sections; and Minnesota Statutes, 1977 Supplement, Section 299F.362, Subdivision 6; repealing Minnesota Statutes 1976, Sections 299F.33; 299F.39; 299G.01 to 299G.08; 299H.03 to 299H.21; 299I.01, Subdivisions 6, 7, 8 and 9; 299I.09; and 299I.11 to 299I.19.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, strike line 8 and line 9 before "as"

Page 2, line 18, strike “; *provided that*” and insert “. *However,*”

Page 2, line 30, strike “*substantial damage*” and insert “*undue hardship*”

Page 3, after line 4, insert:

“Sec. 2. Minnesota Statutes 1976, Section 299F.04, Subdivision 2, is amended to read:

Subd. 2: The investigation shall be begun within two days of the occurrence of the fire and the state fire marshal shall have the right to ~~supervise and direct~~ *coordinate* the investigation when he deems it ~~expedient~~ or necessary.

Sec. 3. Minnesota Statutes 1976, Section 299F.04, is amended by adding a subdivision to read:

Subd. 4. The state fire marshal may conduct further investigation necessary to establish reasonable grounds to believe that a violation of Minnesota Statutes 1976, Sections 609.561 to 609.576, has occurred.

Sec. 4. Minnesota Statutes 1976, Section 299F.05, is amended to read:

299F.05 [EVIDENCE, TAKING OF.] *Subdivision 1. [INVESTIGATIONS.] The state fire marshal shall, when in his opinion further investigation is necessary, When the state fire marshal has determined that reasonable grounds exist to believe that a violation of sections 609.561 to 609.576 has occurred, or has reasonable grounds to believe that some other crime has occurred in connection with a fire investigated pursuant to section 299F.04, he shall so inform the superintendent of the bureau of criminal apprehension. The superintendent shall cooperate with the fire marshal and local officials in further investigating the reported incident in a manner which may include supervising and directing the subsequent criminal investigation, take or cause to be taken and taking the testimony on oath of all persons supposed to be cognizant of any facts or to have any means of knowledge in relation relating to the matter as to which an examination is herein required to be made and shall cause the same to be reduced to writing; and, under investigation. If he the superintendent shall be of the opinion believes that there is evidence sufficient to charge any person with the crime of arson, a violation of sections 609.561 to 609.576, or of any other crime in connection with an investigated fire, he shall arrest or cause such the person to be arrested and charged with the offense and furnish to the proper prosecuting attorney all this relevant evidence, together with the copy of all names of witnesses and all the information obtained by him or the state fire marshal, including a copy of all pertinent and material testimony taken in the case; . and keep a record of the proceedings and progress made in all these prosecutions for arson and the result of all cases finally disposed of.*

Subd. 2. [INFORMATION SYSTEMS.] The state fire marshal and the superintendent of the bureau of criminal apprehension

shall maintain a record of arrests, charges filed, and final disposition of all fires reported and investigated under sections 299F.04 and 299F.05. For this purpose a single reporting system shall be implemented by the department of public safety utilizing the systems operated by the fire marshal and the bureau. The system shall be operated in such a way as to minimize duplication and discrepancies in reported figures.

Sec. 5. Minnesota Statutes 1976, Chapter 299F, is amended by adding a section to read:

[299F.051] [TRAINING LOCAL FIREFIGHTERS AND PEACE OFFICERS.] *Subdivision 1. [CONTENT.] The superintendent of the bureau of criminal apprehension, after consultation with the state fire marshal, the Minnesota peace officers standards and training board and the state advisory council on fire service education and research, shall establish the content of training programs which shall be available to firefighters and peace officers from political subdivisions. The content shall include fire scene investigation and preservation of evidence, interviewing of witnesses and suspects, constitutional limits on interrogation by sworn and non-sworn officers, and other topics deemed necessary to successful criminal investigation.*

Subd. 2. [TRAINING PROGRAM; LOCATIONS, INSTRUCTORS.] The superintendent of the bureau of criminal apprehension shall provide courses at convenient locations in the state for training firefighters and peace officers in the conduct of investigations following the occurrence of a fire. For this purpose, the superintendent may use the services and employees of the bureau, the state fire marshal, and the attorney general. In addition, after consultation with the state fire marshal, the superintendent is authorized to engage part time instructors necessary and proper to furnish the best possible instruction, subject to the limitation of funds appropriated and available for expenditure. Sections 43.09 to 43.17 shall not apply to the part time instructors.

Subd. 3. [IN-SERVICE TRAINING.] The state fire marshal and the superintendent of the bureau of criminal apprehension, in cooperation with the Minnesota board of peace officer standards and training, shall encourage the establishment of in-service and refresher training for firefighters and peace officers through schools administered by the state, county, school district, municipality, or joint or contractual combinations thereof. The Minnesota board of peace officer standards and training shall report to the governor and legislature on the progress made in this effort as provided in section 626.843.

Subd. 4. [COOPERATIVE INVESTIGATION; REIMBURSEMENT.] The state fire marshal and the superintendent of the bureau of criminal apprehension shall encourage the cooperation of local firefighters and peace officers in the investigation of violations of sections 609.561 to 609.576 or other crimes associated with reported fires in all appropriate ways, including the reimbursement of political subdivisions at a rate not to exceed 50 percent of the

salaries of peace officers and firefighters for time spent in attending fire investigation training courses offered by the bureau. Volunteer firefighters from a political subdivision shall be reimbursed for expenses incurred in attending fire investigation training courses offered by the bureau. Reimbursement shall be made only in the event that both a peace officer and a firefighter from the same political subdivision attend the same training course. The reimbursements shall be subject to the limitation of funds appropriated and available for expenditure.

Sec. 6. Minnesota Statutes 1976, Section 299F.06, Subdivision 1, is amended to read:

299F.06 [TESTIMONIAL POWERS.] Subdivision 1. [ATTENDANCE OF WITNESSES.] *In order to establish if reasonable grounds exist to believe that a violation of Minnesota Statutes, Sections 609.561 to 609.576, has occurred, or to determine compliance with the uniform fire code or corrective orders issued thereunder, the state fire marshal, chief assistant fire marshal, and deputy state fire marshals, shall each have the power in any county of the state to summon and compel the attendance of witnesses before them, or either of them, to testify in relation to any matter which is by the provisions of this chapter a subject of inquiry and investigation and may require the production of any book, paper, or document deemed pertinent thereto by them, or either of them. The summons shall be served in the same manner and have the same effect as subpoenas from district courts. All witnesses shall receive the same compensation as is paid to witnesses in district courts, which shall be paid out of the fire marshal fund upon vouchers signed by the state fire marshal, chief assistant fire marshal, or deputy fire marshal before whom any witnesses shall have attended and this officer shall, at the close of the investigation wherein the witness was subpoenaed, certify to the attendance and mileage of the witness, which certificate shall be filed in the office of the state fire marshal. All investigations held by or under the direction of the state fire marshal, or any subordinate, may in his discretion be private and persons other than those required to be present by the provisions of this chapter may be excluded from the place where the investigation is held, and witnesses may be kept separate and apart from each other and not allowed to communicate with each other until they have been examined.*

Page 6, line 4, strike "*and lodging house*"

Page 6, line 9, strike "*or lodging house*"

Page 6, line 23, strike "*words*" and reinstate "*word*"

Page 6, line 23, strike "*and 'lodging house'*"

Page 6, line 30, strike "*meanings given them*" and insert "*meaning given*"

Page 8, strike lines 6 to 11 and insert:

"Subd. 2. Places of assembly include all buildings or portions of buildings used for gathering together 50 or more persons in com-

mercial places of assembly and 100 or more persons in noncommercial places of assembly. Places of assembly shall include those facilities used for such purposes as deliberation, worship, entertainment, amusement, or awaiting transportation.

Occupancy of any room or space for assembly purposes by less than 100 persons in a building or other occupancy and incidental to such other occupancy shall be classed as part of the other occupancy and subject to the provisions applicable thereto."

Page 11, line 17, before "There" insert "Subdivision 1."

Page 11, line 19, strike "\$220,400" and insert "\$"

Page 11, line 20, before the period insert "relating to the conduct of inspections"

Page 11, line 21, strike "ten" and insert "."

Page 11, after line 23, insert:

"Subd. 2. [BUREAU OF CRIMINAL APPREHENSION.] There is appropriated to the department of public safety, bureau of criminal apprehension, the sum of \$ for fiscal year 1979 to implement and administer the provisions of this act relating to the conduct of criminal investigations and the provision of training. The commissioner of public safety is hereby directed to hire not less than persons which will be added to the department's present complement.

Subd. 3. [REIMBURSEMENT FOR TRAINING.] There is appropriated to the department of public safety the sum of \$ for fiscal year 1979 to reimburse political subdivisions pursuant to section 5."

Page 11, line 24, delete the underscoring from "Sec. 19."

Page 11, after line 31, insert:

"Sec. 25. This act is effective on the day following final enactment."

Renumber the sections in sequence

Amend the title as follows:

Line 5, after "299F.011;" insert "299F.04, Subdivision 2, and by adding a subdivision; 299F.05; and 299F.06, Subdivision 1;"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 1600: A bill for an act relating to data processing by public bodies; its regulation and control; establishing the Minnesota public data processing board; prescribing its powers and duties; appropriating money; amending Minnesota Statutes 1976, Sections 16.94 and 16.95; repealing Minnesota Statutes 1976, Sec-

tions 16.90, Subdivisions 1, 2 and 4; 16.91; and 16.911, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. [16C.01] [STATEMENT OF LEGISLATIVE INTENT.] *The legislature finds that in order for the state of Minnesota to receive the maximum use and benefit from data processing devices and systems:*

(a) There should be a continued centralization of policy control over data processing related plans, projects and acquisitions of state departments and agencies;

(b) There should be full cooperation and cohesive and responsive planning and effort by and between the several state departments and agencies, including those involved in education and criminal justice;

(c) There should be an evaluation of proposed state agency data processing projects, leases, or purchases independent of that conducted by agencies providing data processing services to contribute to a fair and beneficial decision process;

(d) All operating agencies should be required to hire staff within legislative complement limits to insure more ordered and defined personnel practices with adequate legislative scrutiny; and

(e) There should be full cooperation and a willingness to share data processing information and expertise between the several state agencies and local government units.

The legislature determines that a central data processing council should be established to assist in the planning for, and acquisition and use of, systems and data processing devices by all state agencies, and to monitor and facilitate the development of data processing systems in local governmental units, in order to promote the efficient, coordinated utilization of data processing resources.

Sec. 2. [16C.02] [DEFINITIONS.] *Subdivision 1. For the purposes of sections 1 to 7, the terms defined in this section have the meanings given them.*

Subd. 2. "Council" means the advisory council for information systems created by section 3.

Subd. 3. "Data processing device" means any equipment or computer programming, including but not limited to computer hardware, firmware, software and communication protocol, utilized in connection with the processing of information via electronic data processing means and includes data communication devices used in connection with computer facilities for the transmission of data.

Subd. 4. "Joint powers organization" means any organization composed of local governmental units or local governmental units

and state agencies empowered to acquire or plan for the acquisition of data processing devices.

Subd. 5. "Local governmental unit" means any municipal or quasi-municipal corporation, public school, school district, county or other political subdivision and all branches, organizations, agencies or combinations of these entities authorized to enter into contracts.

Subd. 6. "State agency" means any office, department, authority, agency, institution, commission, board or educational body of state government including the university of Minnesota, and any branch, organization, agency or combination thereof.

Subd. 7. "System" means an automated, organized collection of procedures, data processing devices and methods designed to collect, store, retrieve or transfer data.

Sec. 3. [16C.03] [ADVISORY COUNCIL FOR INFORMATION SYSTEMS.] Subdivision 1. [CREATION.] The advisory council for information systems is hereby created as an advisory council responsible and reporting to the governor.

Subd. 2. [COMPOSITION OF COUNCIL.] The council shall be composed of the following 15 voting members: (a) three heads of state agencies extensively using data processing devices; (b) seven persons from local governmental units, joint power organizations, educational institutions, and the private sector who are knowledgeable in the use and application of data processing devices and systems, and members of the general public; (c) two members of the house of representatives; (d) two members of the senate; and (e) one representative of the judicial branch of Minnesota government.

Subd. 3. [SELECTIONS AND TERMS.] Members appointed under subdivision 2, clauses (a) and (b) shall be appointed by the governor. The members of the house shall be appointed by the speaker, and the members of the senate by the senate subcommittee on committees. The judicial representative shall be appointed by the chief justice of the Minnesota supreme court. The compensation, membership terms, removal and filling of vacancies for non-legislator members shall be as provided in section 15.059. All initial appointments shall be made not later than July 1, 1978 and, in respect to members appointed pursuant to subdivision 2, clauses (a) and (b) shall be for terms consistent with the system of staggered terms stated in section 15.059.

Sec. 4. [16C.04] [DUTIES AND POWERS.] Subdivision 1. The council shall:

(a) Study existing state agency data processing devices and systems and future data processing needs and develop plans, including a master plan, regarding the effective use of existing resources and the need for future acquisition;

(b) Promote and recommend the establishment of intergovernmental agreements whereby state agencies, joint powers organi-

zations or local governmental units may benefit from the sharing of data processing resources;

(c) Develop data processing device specifications and procurement techniques, and recommend their use by state agencies;

(d) Review and within 60 calendar days advise on the data processing and systems-related budgets or plans of all state agencies if the budgets or plans envision expenditures in excess of \$10,000 per year;

(e) Review and within 60 calendar days advise on any proposed grant applications in excess of \$5,000 of all state agencies which relate to data processing devices or systems;

(f) Review and within 60 calendar days advise on any proposed data processing device acquisitions of state agencies which acquisitions are estimated to involve expenditures in excess of \$5,000;

(g) Determine, in its review of the budgets, plans and proposed acquisitions of a state agency whether data processing devices are needed and, if so, whether the state agency has selected the appropriate means, methods and technology to obtain necessary data processing services;

(h) Provide assistance to all local governmental units and joint powers organizations which seek assistance relating to the organization and operation of data processing systems including, but not limited to, providing information on the availability and capabilities of alternative data processing devices and assistance in the development of data processing device specifications;

(i) Annually collect and report information regarding the data processing activities of all local governmental units and joint powers organizations, including an inventory and computer hardware and comprehensive listings of data processing applications, providers of data processing services, and surplus data processing resources; and

(j) Establish committees to assist the council in performing its duties pursuant to this subdivision, which committees shall include representatives from state agencies using data processing devices; and

(k) Appoint an executive director to administer council activities by September 1, 1978.

Subd. 2. To accomplish the purposes of sections 1 to 9 the council may:

(a) Elect officers, establish procedures for meetings and establish committees as it deems appropriate;

(b) Subject to the provisions of Minnesota Statutes, Chapter 43, employ and delegate its powers to professional, technical, and clerical staff as it deems necessary, provided that the council may establish an executive director and two other management positions in the unclassified services;

(c) Enter into contracts for office supplies and services, consultant services and any other goods or commodities necessary for the undertaking of its duties;

(d) Enter into contracts with the federal government, state agencies or local governmental units for the provision of any advisory, technical or other services;

(e) Apply for, receive and expend grant moneys, provided that the board also files with the chairpersons of the house appropriations and senate finance committees a notice of intent to apply for grant moneys. The notice of intent shall contain an analysis of the immediate and future impact of related grant requirements, limitations and rules on state budgetary and fiscal matters and on state laws and rules;

(f) Receive and accept money, property or services from any person, agency or other source for any purpose within the scope of its authority. All money so received is annually appropriated for those purposes in the manner and subject to laws applicable to the appropriation of state funds;

(g) Undertake research and development projects;

(h) Delegate its powers to state agencies, joint powers organizations, local governmental units or the intergovernmental information systems advisory council which are hereby empowered to accept such delegations;

(i) Assign its interest in any contract to state agencies, joint powers organizations or local governmental units which are hereby empowered to accept such assignments;

(j) Request state agencies, joint powers organizations and local governmental units and their officials to appear before the council or produce any records or materials relating to data processing devices or systems for council review; and

(k) Receive and expend legislative appropriations.

Sec. 5. [16C.05] [MEETINGS; REPORTS TO LEGISLATURE.] The council shall meet at least once every three months. On or before January 1 of each year and commencing January 1, 1979, the council shall submit a detailed, written report to the governor and the legislature setting forth its activities during the previous year and advising of its plans and projects for the ensuing year. Every five years, and commencing not later than January 1, 1980, the council shall submit to the governor and the legislature a long range plan setting forth its proposed plans and projects for the succeeding five years.

Sec. 6. [16C.06] [STATE AGENCIES; ADHERENCE TO REVIEW PROCEDURE.] Notwithstanding any law to the contrary, no state agency or the Minnesota educational computing consortium shall apply for grants of any nature for data processing-related projects, proceed with data processing-related plans or acquisitions or the expenditure of computer services budgets without first seeking and receiving the advice of the council when

so required pursuant to and under the conditions of section 4. If, pursuant to his authority, the commissioner of administration seeks to substantially modify or reject the data processing activities or proposals of a state agency, such modification or rejection if disputed by the state agency shall not be effective until after representatives of the commissioner and the affected state agency have sought and received council advice.

Sec. 7. [16C.07] [APPLICATION TO UNIVERSITY OF MINNESOTA.] *The board of regents of the university of Minnesota shall comply with the provisions of sections 1 to 6, to the fullest extent possible, consistent with the exercise of the powers conferred upon them by the constitution of this state.*

Sec. 8. [16C.08] [INTERGOVERNMENTAL INFORMATION SYSTEMS ADVISORY COUNCIL.] *Subdivision 1. The governor shall appoint an intergovernmental information systems advisory council, to serve at his pleasure, consisting of 25 members. The intergovernmental information systems advisory council shall be composed of two members from each of the following groups: Counties outside of the seven county metropolitan area, counties within the metropolitan area, cities of the first class, municipalities of the second and third class outside the metropolitan area and municipalities of the second and third class within the metropolitan area; one member from each of the following groups: the metropolitan council, a regional development commission outside of the metropolitan area, Minnesota higher education coordinating board, school districts located in cities of the first class, school districts in the metropolitan area not located in cities of the first class, and school districts outside the metropolitan area; one employee representing each of the state departments of administration, education and revenue; one employee each from the offices of the state auditor and the legislative auditor; and four members from the state community at large. To the extent permitted by available resources the advisory council for information systems shall furnish staff and other assistance as requested by the intergovernmental information systems advisory council. The intergovernmental information systems advisory council shall expire and the terms, compensation, removal of members and filling of vacancies shall be as provided in section 15.059.*

Subd. 2. The intergovernmental information systems advisory council shall assist the Minnesota advisory council for information systems in the development of data standards and program budgeting systems and standards; recommend to the advisory council for information systems policies and procedures governing the collection, security and confidentiality of data; review and comment on all applications for federal or foundation funding for information systems and on all computer systems involving intergovernmental funding; keep local governments abreast of the state of the art in information systems and prepare guidelines for intergovernmental systems.

Subd. 3. The intergovernmental information systems advisory council shall initially be composed of those members serving on

the intergovernmental information systems advisory council pursuant to Minnesota Statutes 1976, Section 16.911, as of the effective date of this act. The initial members shall serve out their terms under the conditions of their appointments pursuant to Minnesota Statutes 1976, Section 16.911.

Subd. 4. [TRANSFER OF EXISTING APPROPRIATIONS.] *The unliquidated appropriations and encumbrances of the department of administration for the intergovernmental coordination activity defined in section 16.911 are transferred and reappropriated to the advisory council for information systems for the purposes of section 8.*

Sec. 9. Minnesota Statutes 1976, Section 3.976, is amended to read:

3.976 [INFORMATION COLLECTED FROM LOCAL GOVERNMENTS.] *The state auditor, or his designated agent, shall collect annually from all city, county, and other local units of government, information as to the assessment of property, collection of taxes, receipts from licenses and other sources, the expenditure of public funds for all purposes, borrowing, debts, principal and interest payments on debts, and such other information as may be needful. The data shall be supplied upon blanks in a manner prescribed by the state auditor, and all public officials so called upon shall fill out properly and return promptly all blanks so transmitted shall properly and promptly provide the data in the prescribed manner. The state auditor or his assistants, may examine local records in order to complete or verify the information. Copies of all reports so received shall be forwarded by the state auditor to the legislative auditor. Before establishing reporting requirements for local governmental units pursuant to this section or to any other section, the state auditor shall consult with the advisory council for information systems.*

Sec. 10. Minnesota Statutes, 1977 Supplement, Section 16.80, is amended by adding a subdivision to read:

Subd. 4. *The commissioner of administration shall, prior to expenditure of any computer services revolving fund monies after June 30, 1979, prepare reports and budgets regarding the computer services revolving fund for inclusion in the governor's budget recommendations to the legislature and review by the legislature in the same manner and form as agencies operating on a direct appropriation basis. If the commissioner of administration receives computer services revolving fund receipts in excess of those estimated in the executive/legislative budget process, he shall seek and obtain the approval of the legislative advisory committee prior to any expenditure of the excess receipts.*

Sec. 11. Minnesota Statutes 1976, Section 16.90, Subdivision 4, is amended to read:

Subd. 4. *The commissioner ; after consultation with the state information systems advisory council and the intergovernmental information systems advisory council, shall design and maintain*

a master plan for information systems in the state and its political subdivisions and shall report thereon to the governor and legislature at the beginning of each regular session; establish standards for information systems; maintain a library of systems and programs developed by the state and its political subdivisions for use by agencies of government ; and administer the communications for the state information system.

Sec. 12. Minnesota Statutes 1976, Section 16.94, is amended to read:

16.94 [MODIFICATION OF OPERATING AND MANAGEMENT PROCEDURES.] Where improved program effectiveness, better utilization of services, and greater efficiency and economy in state government can be demonstrated, the commissioner with the approval of the governor *and with the advice of the advisory council for information systems* may require a department or agency of the state to adjust its operating and management procedures to take advantage of improved systems, procedures, and methods resulting from systems analysis and information science technology.

Sec. 13. Minnesota Statutes 1976, Section 16.95, is amended to read:

16.95 [FUNCTION OF LEGISLATIVE AUDITOR.] The legislative auditor may conduct performance evaluation of all systems analysis, information services, and computerization efforts of all state agencies, and the university of Minnesota, and upon request of the governing body or request of the state information systems advisory council *he advisory council for information systems* shall conduct the same services for political subdivisions of the state and report his findings to the governor and to the legislature. The cost of such evaluations shall be paid by the agencies being evaluated.

Sec. 14. [REPEALER.] *Minnesota Statutes 1976, Sections 16.91 and 16.911, are repealed.*

Sec. 15. [APPROPRIATIONS.] *There is appropriated from the general fund to the advisory council for information systems the sum of \$350,000 to be used for the purposes of this act during the biennium ending June 30, 1979.*

Sec. 16. [EFFECTIVE DATE.] *This act is effective July 1, 1978 and shall expire June 30, 1987."*

Further, delete the title and insert:

"A bill for an act relating to data processing by certain public bodies; its regulation and control; establishing the advisory council for information systems; prescribing its powers and duties; appropriating money; amending Minnesota Statutes 1976, Sections 3.976; 16.90, Subdivision 4; 16.94; and 16.95; Minnesota Statutes, 1977 Supplement, Section 16.80, by adding a subdivision; repealing Minnesota Statutes 1976, Sections 16.91 and 16.911."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 1839: A bill for an act relating to municipalities; hospital, nursing home and health care facilities; authorizing municipalities to include refinancing of existing indebtedness in the cost of a project; amending Minnesota Statutes 1976, Section 447.35; 447.45, Subdivision 1; 447.47; and 474.05.

Reports the same back with the recommendation that the bill be amended as follows:

Page 5, strike section 4 and insert:

"Sec. 4. Minnesota Statutes 1976, Section 474.01, is amended by adding a subdivision to read:

Subd. 9. The welfare of the state further requires the active promotion, encouragement, and development of adequate health care facilities, to the end that adequate health care services might be made available to all residents of the state at reasonable cost.

Sec. 5. Minnesota Statutes 1976, Section 474.02, is amended by adding a subdivision to read:

Subd. 1c. The term "project" shall also include any properties, real or personal, whether or not now in existence, used or useful in connection with a revenue producing enterprise, whether or not operated for profit, engaged in providing health care services, including, without limitation, hospitals, nursing homes, and related medical facilities.

Sec. 6. Minnesota Statutes 1976, Section 474.03, is amended to read:

474.03 [POWERS.] Any municipality or redevelopment agency, in addition to the powers prescribed elsewhere by the laws of this state, shall have the power to:

(1) Acquire, construct, and hold any lands, buildings, easements, water and air rights, improvements to lands and buildings, and capital equipment to be located permanently or used exclusively on a designated site and solid waste disposal and pollution control equipment, regardless of where located, which are deemed necessary in connection with a project to be situated within the state, whether wholly or partially within or without the municipality or redevelopment agency, and construct, reconstruct, improve, better, and extend such project;

(2) Issue revenue bonds, in anticipation of the collection of revenues of such project, to finance, in whole or in part, the cost of the acquisition, construction, reconstruction, improvement, betterment, or extension thereof;

(3) Issue revenue bonds to pay all or any part of the outstanding indebtedness of a contracting party engaged primarily in the operation of one or more non-profit hospitals or nursing homes, theretofore incurred in the acquisition or betterment of its existing hospital or nursing home facilities, including, to the extent

deemed necessary by the governing body of the municipality or redevelopment agency, any unpaid interest on such indebtedness accrued or to accrue to the date on which such indebtedness is finally paid; if revenue bonds are issued for this purpose, the refinancing and the existing properties of the contracting party shall be deemed to constitute a project under section 474.02, subdivision 1c;

~~(3)~~ (4) Enter into a revenue agreement with any person, firm, or public or private corporation or federal or state governmental subdivision or agency in such manner that payments required thereby to be made by the contracting party shall be fixed, and revised from time to time as necessary, so as to produce income and revenue sufficient to provide for the prompt payment of principal of and interest on all bonds issued hereunder when due, and the revenue agreement shall also provide that the contracting party shall be required to pay all expenses of the operation and maintenance of the project including, but without limitation, adequate insurance thereon and insurance against all liability for injury to persons or property arising from the operation thereof, and all taxes and special assessments levied upon or with respect to the project and payable during the term of the revenue agreement, during which term a tax shall be imposed and collected pursuant to the provisions of section 272.01, subdivision 2, for the privilege of using and possessing the project, in the same amount and to the same extent as though the contracting party were the owner of all real and personal property comprising the project;

~~(4)~~ (5) Pledge and assign to the holders of such bonds or a trustee therefor all or any part of the revenues of one or more projects and define and segregate such revenues or provide for the payment thereof to a trustee, whether or not such trustee is in possession of the project under a mortgage or otherwise;

~~(5)~~ (6) Mortgage or otherwise encumber such projects in favor of the municipality or redevelopment agency, the holders of such bonds, or a trustee therefor, provided that in creating any such mortgages or encumbrances a municipality or redevelopment agency shall not have the power to obligate itself except with respect to the project;

~~(6)~~ (7) Make all contracts, execute all instruments, and do all things necessary or convenient in the exercise of the powers herein granted, or in the performance of its covenants or duties, or in order to secure the payment of its bonds; including, but without limitation, a contract entered into prior to the construction of the project authorizing the contracting party, subject to such terms and conditions as the municipality or redevelopment agency shall find necessary or desirable and proper, to provide for the construction, acquisition, and installation of the buildings, improvements, and equipment to be included in the project by any means available to the contracting party and in the manner determined by the contracting party and without advertisement for bids as may be required for the construction or acquisition of other municipal facilities;

~~(7)~~ (8) Enter into and perform such contracts and agreements with other municipalities, political subdivisions, and state agencies, authorities, and institutions as the respective governing bodies of the same may deem proper and feasible for or concerning the planning, construction, lease, purchase, mortgaging or other acquisition, and the financing of a project, and the maintenance thereof, including an agreement whereby one municipality issues its revenue bonds in behalf of one or more other municipalities, which contracts and agreements may establish a board, commission, or such other body as may be deemed proper for the supervision and general management of the facilities of the project; provided, no municipality or redevelopment agency shall enter into or perform any contract or agreement with any school district under which the municipality or redevelopment agency issues its revenue bonds or otherwise provides for the construction of school facilities and the school leases or otherwise acquires these facilities;

~~(8)~~ (9) Accept from any authorized agency of the federal government loans or grants for the planning, construction, acquisition, leasing, purchase, or other provision of any project, and enter into agreements with such agency respecting such loans or grants;

~~(9)~~ (10) Sell and convey all properties acquired in connection with such projects, including without limitation the sale and conveyance thereof subject to such mortgage as herein provided, and the sale and conveyance thereof under an option granted to the lessee of the project, for such price, and at such time as the governing body of the municipality or redevelopment agency may determine, provided, however, that no sale or conveyance of such properties shall ever be made in such manner as to impair the rights or interests of the holder, or holders, of any bonds issued under the authority of this chapter;

~~(10)~~ (11) Issue revenue bonds to refund, in whole or in part, bonds previously issued by such municipality or redevelopment agency under authority of this chapter;

~~(11)~~ (12) If so provided in the revenue agreement, terminate the agreement and re-enter or repossess the project upon the default of the contracting party, and operate, lease, or sell the project in such manner as may be authorized or required by the provisions of the revenue agreement or of the resolution or indenture securing the bonds issued for the project; any revenue agreement which includes provision for a conveyance of real estate to the contracting party may be terminated in accordance with the revenue agreement, notwithstanding that such revenue *agent agreement* may constitute an equitable mortgage provided that no municipality or redevelopment agency shall have power otherwise to operate any project referred to in this chapter as a business or in any manner whatsoever, and nothing herein authorizes any municipality or redevelopment agency to expend any funds on any project herein described, other than the revenues of such projects, or the proceeds of revenue bonds and notes issued hereunder, or other funds granted to the municipality or redevelopment agency for the purposes herein contemplated, except as may be otherwise permitted by law

and except to enforce any right or remedy under any revenue agreement or related agreement for the benefit of the bondholders or for the protection of any security given in connection with a revenue agreement, provided that the public cost of redevelopment of land paid by a city or its redevelopment agency shall not be deemed part of the cost of any project situated on such land;

(12) (13) Invest or deposit, or authorize a trustee to invest or deposit, any money on hand in funds or accounts established in connection with a project or payment of bonds issued therefor, to the extent they are not presently needed for the purposes for which such funds or accounts were created, in accordance with section 471.56, as amended; and

(13) (14) Waive or require the furnishing of a contractors payment and performance bond of the kind described in section 574.26 and if such bond shall be required, then the provisions of chapter 514 relating to liens for labor and materials, shall not be applicable in respect of any work done or labor or materials supplied for the project, and if such bond be waived then the said provisions of chapter 514 shall apply in respect of work done or labor or materials supplied for the project.

Sec. 7. Minnesota Statutes 1976, Section 474.06, is amended to read:

474.06 [MANNER OF ISSUANCE OF BONDS; INTEREST RATE.] Bonds authorized under this chapter shall be issued in accordance with the provisions of chapter 475 relating to bonds payable from income of revenue producing conveniences, except that public sale shall not be required, and the bonds may mature at any time or times in such amount or amounts within 30 years from date of issue and may be sold at a price equal to such percentage of the par value thereof, plus accrued interest, and bearing interest at such rate or rates, as may be agreed by the contracting party, the purchaser, and the municipality or redevelopment agency, notwithstanding any limitation of interest rate or cost of the amounts of annual maturities contained in any other law. When bonds authorized under this chapter are issued, they shall state whether they are issued for a project defined in section 474.02, subdivisions 1, 1a, or 1c."

Renumber the remaining section

Amend the title as follows:

Line 7, after "447.47;" insert "474.01, by adding a subdivision; 474.02, by adding a subdivision; 474.03;"

Line 7, strike "474.05" and insert "474.06"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 1726: A bill for an act relating to retirement; frac-

tional years of service for judges; amending Minnesota Statutes 1976, Sections 490.121, Subdivision 4; and 490.124, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, after line 6, insert:

"Sec. 3. Minnesota Statutes 1976, Section 490.124, Subdivision 12, is amended to read:

Subd. 12. [REFUND.] Any person who ceases to be a judge but who does not qualify for a retirement annuity or other benefit under sections 490.121 to 490.132 section 490.121 shall be entitled to a refund of in an amount equal to all his contributions to the judges' retirement fund with plus interest computed on the basis of interest assumption under the provisions of section 356.21. No refund shall be payable upon the death of a judge prior to retirement if no benefits shall be payable under subdivision 9 to the first day of the month in which the refund is processed based on fiscal year balances at the rate of five percent per annum compounded annually. The surviving spouse, or if there is no surviving spouse, then the estate, of any person who has ceased to be a judge and has died prior to receiving a retirement annuity or other retirement benefits shall be entitled to receive a refund in an amount equal to all the contributions made by the person to the judges retirement fund plus interest computed to the date of death at the rate of five percent per annum compounded annually."

Renumber the remaining section

Page 2, line 7, strike "*retroactive to January*" and insert "*the day following final enactment. The provisions of sections 1 and 2 shall apply to all judges retiring on or after the effective date of this act.*"

Page 2, strike line 8

Amend the title as follows:

Page 1, line 3, after "judges;" insert "refunds to surviving spouses of judges;"

Page 1, line 5, strike "Subdivision" and insert "Subdivisions" and after "1" insert "and 12"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Tennesen from the Committee on Commerce, to which was referred

S. F. No. 1026: A bill for an act relating to insurance; removing licensing exemptions for certain insurance adjusters and appraisers; establishing a bill of rights for the processing of certain automobile claims; prohibiting certain practices; amending Minnesota Statutes 1976, Sections 72B.02; and 72B.14; repealing Minnesota Statutes 1976, Section 72B.10.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 72B.02, Subdivision 5, is amended to read:

Subd. 5. "Independent or staff adjuster" means any person who for another for money, commission or any other thing of value acts as an adjuster on behalf of one or more than one insurer, or who holds himself out to do so.

Sec. 2. Minnesota Statutes 1976, Section 72B.03, is amended to read:

72B.03 [LICENSES.] Subdivision 1. [REQUIREMENT; EXCEPTIONS.] Except as otherwise provided, no person shall act as an independent adjuster, public adjuster, public adjuster solicitor or appraiser for money, a commission, or any other thing of value, unless such person shall first obtain from the commissioner a license. No license shall be required for a person:

(a) Undergoing a training or education program under the guidance of a licensed adjuster and who is registered with the commissioner for a one year temporary permit;

(b) Acting in a catastrophe or emergency situation, and who has registered with the commissioner for that purpose; or

(c) Who is engaged as a staff appraiser;

~~(d)~~ A nonresident adjuster who occasionally is in this state to adjust a single loss; provided, however, that if a nonresident adjusts more than six losses in this state in one year he must qualify for and receive a nonresident's license as provided in sections 72B.01 to 72B.14, and provided the adjuster's domiciliary state affords a like privilege.

Subd. 2. [CLASSES OF LICENSES.] There shall be four classes of licenses, as follows:

(a) Independent or staff adjuster's license.

(b) Public adjuster's license.

(c) Public adjuster solicitor's license.

(d) Appraiser's license.

The independent or staff adjuster and public adjuster licenses shall be issued in at least three fields each, as follows:

(a) Fire and allied lines, inland marine lines and including all perils under homeowners policies.

(b) All lines written as casualty insurance under section 60A.06, and including workers compensation.

(c) A combination of the fields described in (a) and (b), above. Separate licenses shall be required for each field, but the

same person may obtain licenses in more than one field. No person shall be licensed as both a public and independent or staff adjuster. The license shall state the class for which the person is licensed and, where applicable, the field in which the person is licensed, and shall state the licensee's name and residence address, the date of issuance and the date of expiration of the license and any other information prescribed by the commissioner which is consistent with the purpose of the license.

Subd. 3. [PAYMENT FOR SERVICES; UNLAWFUL PRACTICE.] No insurer, agent, or other representative of an insurer nor any adjuster or appraiser shall pay any fee or other compensation to any person for acting as an adjuster, an appraiser, or a public adjuster solicitor, except to a person duly licensed to so act or to a person not required to be licensed by sections 72B.01 to 72B.14; and it shall be unlawful for any person to act as an independent or staff adjuster, a public adjuster, a public adjuster solicitor or an appraiser, who is not duly licensed, or excluded from the licensing requirement.

Sec. 3. Minnesota Statutes 1976, Section 72B.04, Subdivision 5, is amended to read:

Subd. 6. [EXCEPTIONS.] A person who on ~~January 1, 1972~~ *August 1, 1978*, meets all of the qualifications specified in subdivision 2 with regard to the class of license applied for and, if experience is one of the requisites, has gained his experience within the three years next preceding ~~January 1, 1972~~ *August 1, 1978*, shall be eligible for the issuance of a license without taking an examination.

A person who has held a license of any given class or in any field or fields within three years prior to his application shall be entitled to a renewal of his license in the same class or in the same fields without taking an examination.

The commissioner may issue a license under sections 72B.01 to 72B.14 without an examination, if the applicant presents sufficient and satisfactory evidence of having passed a similar examination in another state and if the commissioner, with the advice of the advisory board, has determined that the standards of such other state are equivalent to those in Minnesota for the class of license applied for. Any applicant who presents sufficient and satisfactory evidence of having successfully completed all six parts of the insurance institute of America program in adjusting shall be entitled to an adjuster's license without taking the examination prescribed in subdivision 5.

Sec. 4. [72B.20] [COMPLIANCE WITH CHAPTER 72B.] *Subdivision 1. Each appraiser while engaged in appraisal duties shall carry the license or evidence of license issued to him by the commissioner of insurance and shall display it upon request to an owner whose vehicle is being inspected, to the repair shop representative involved, or to any insurance commissioner's representative.*

Subd. 2. The appraiser shall provide one legible copy of the

appraisal to the vehicle owner and one legible copy of the appraisal to a repair shop designated by the owner. The appraisal shall contain the name of the insurance company ordering it, if any, the insurance company's address and telephone number, its file number, the appraiser's name, license number, telephone number, and the proper identification of the vehicle being inspected. The appraisal shall indicate all significant old and unrelated damages and shall include an itemized listing of all damages, specifying those parts to be repaired and those parts to be replaced by new, used, reconditioned, or replated parts.

Subd. 3. No appraiser, adjuster, or his employer shall require that repairs be made in any specified repair facility.

Subd. 4. Each appraiser shall promptly reinspect damaged vehicles when supplementary allowances are requested by the repair shop or when the amount or extent of damages is in dispute. Reinspection of any damage on a damaged vehicle may be waived if authorized by the insurer by telephone.

Subd. 5. No appraiser or adjuster shall receive or trade in auto salvage if the salvage is obtained as a result of his appraisals.

Subd. 6. Written notice of the acceptance, partial acceptance, or rejection of a claim filed by an insured shall be made by an insurer within ten calendar days of receiving notice of the claim from the insured. An insurer shall also make written response to an inquiry by the claimant concerning the processing of a claim within ten calendar days of receiving the inquiry.

Subd. 7. An insurer shall if requested by the insured in cases of loss exceeding \$1,000 reinspect the repaired motor vehicle to ascertain whether in fact all repairs listed in the appraisal estimate have been made as provided in the appraisal.

Sec. 5. [72B.21] [PROHIBITIONS.] No adjuster or insurer, director, officer, broker, agent, attorney-in-fact, employee, or other representative of an insurer shall in collision cases:

(a) Prepare or use a list of preferred automobile repair shops in any manner which would tend to limit the freedom of an insured or claimant to choose the shop of his choice;

(b) Require that an insured or claimant present his claim or his automobile for loss adjustment or inspection at a "drive-in" claim center or any other similar facility solely under the control of the insurer;

(c) Engage in boycotts, intimidation or coercive tactics in negotiating repairs to damaged motor vehicles which they insure or are liable to third party claimants to have repaired;

(d) Require an insured or claimant to pay in excess of his collision deductible amount, where such excess charges result from the insurer's decision to install new parts due to the unavailability of used or reconditioned parts; or

(e) Attempt to secure, except in an emergency, the insured's

or claimant's signature authorizing the party securing the signature to act in behalf of the insured or claimant in selection of a repair shop facility.

Sec. 6. [INSTRUCTION TO REVISOR.] *In the next and subsequent editions of Minnesota Statutes, wherever in chapter 72B the phrase "sections 72B.01 to 72B.14" appears, the revisor of statutes shall substitute a reference to sections 72B.01 to 72B.14 and sections 4 to 6 of this act, inclusive.*

Sec. 7. *Minnesota Statutes 1976, Sections 72B.02, Subdivisions 7 and 10; and 72B.10, are repealed."*

Amend the title as follows:

Page 1, line 4, strike everything after the semicolon

Page 1, strike line 5

Page 1, line 7, after "Sections" insert "72B.02, Subdivision 5;"

Page 1, line 7, strike "72B.14" and insert "72B.04, Subdivision 6"

Page 1, line 8, strike "Section" and insert "Sections 72B.02, Subdivisions 7 and 10; and"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 1478: A bill for an act relating to the Administrative Procedures Act; removing the exemptions from the rulemaking provisions for the corrections board and pardon board, the department of employment services, the director of mediation services, the workers compensation division in the department of labor and industry, the workers compensation court of appeals and the board of pardons; amending Minnesota Statutes 1976, Section 15.0411, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes, 1977 Supplement, Section 15.0411, Subdivision 2, is amended to read:

Subd. 2. "Agency" means any state officer, board, commission, bureau, division, department, or tribunal, other than a court, having a statewide jurisdiction and authorized by law to make rules or to adjudicate contested cases. "Agency" also means the capitol area architectural and planning board. Sections 15.0411 to 15.052 do not apply to (a) agencies directly in the legislative or judicial branches, (b) emergency powers in Laws 1951, Chapter 694, Title III, Sections 301 to 307, (c) corrections board and pardon board, (d) the unemployment insurance pro-

gram in the department of economic security, (e) the director of mediation services, (f) the workers compensation division in the department of labor and industry, (d) the workers compensation court of appeals, (h) board of pardons, or (i) (c) the department of military affairs. Sections 15.0418 to 15.0426 do not apply to (a) the Minnesota municipal board, (b) corrections board, (c) the unemployment insurance program in the department of economic security, (d) the director of mediation services, (e) the workers compensation division in the department of labor and industry, (f) the workers compensation court of appeals, (g) the board of pardons, or (h) the public employees relations board.

Sec. 2. Minnesota Statutes, 1977 Supplement, Section 15.0412, Subdivision 5, is amended to read:

Subd. 5. When an agency is directed or authorized by statute, federal law or court order to adopt, amend, suspend or repeal a rule in a manner that does not allow for compliance with subdivision 4, or if an agency is expressly authorized by statute to adopt temporary rules, the agency shall promulgate a adopt any temporary rule rules in accordance with this subdivision. The proposed temporary rule shall be published in the state register and for at least 20 days thereafter the agency shall afford all interested persons an opportunity to submit data and views on the proposed temporary rule in writing. The proposed temporary rule may be modified if the modifications are supported by the data and views submitted to the agency. The agency shall submit to the attorney general the proposed temporary rule as published, with any proposed modifications. The attorney general shall review the proposed temporary rule as to form and legality and shall approve or disapprove the proposed temporary rule and any proposed modifications within five working days. The temporary rule shall take effect upon approval of the attorney general. Failure of the attorney general to approve or disapprove within five working days shall be deemed approval. As soon as practical notice of the attorney general's decision shall be published in the state register and the adopted rule shall be published in the manner as provided for adopted rules in subdivision 4. Temporary rules adopted under this subdivision shall be effective for not longer than 90 days and may be reissued or continued in effect for an additional 90 days, but may not immediately be reissued thereafter without following the procedure of subdivision 4.

Sec. 3. Minnesota Statutes 1976, Section 15.0413, Subdivision 1, is amended to read:

15.0413 [EFFECT OF ADOPTION OF RULES; PUBLICATION; APPROPRIATION.] Subdivision 1. Every rule approved by the attorney general and filed in the office of the secretary of state as provided in section 15.0412 shall have the force and effect of law 20 five working days after its publication in the state register unless a later date is required by statute or specified in the rule. The secretary of state shall keep a permanent record of rules filed with that office open to public inspection.

Sec. 4. Minnesota Statutes 1976, Section 15.0413, Subdivision 2, is amended to read:

Subd. 2. Each rule hereafter amended, suspended, or repealed shall become amended, suspended, or repealed ~~20~~ *five working* days after the new or amended rule or notice of suspension or repeal is published in the state register unless a later date is required by statute or specified in the rule.

Sec. 5. Minnesota Statutes 1976, Section 112.801, Subdivision 8, is amended to read:

Subd. 8. All proceedings before the board *conducted pursuant to this chapter and chapter 105* shall be in conformity with sections 15.0411 to ~~15.0422~~ *15.052*.

Sec. 6. Minnesota Statutes 1976, Section 136.63, Subdivision 1a, is amended to read:

Subd. 1a. The state board for community colleges shall prescribe the courses of study including undergraduate academic programs, training in semi-professional and technical fields, and adult education, conditions of admission, fees and tuition to be paid by students, requirements for graduation, and such suitable rules and regulations necessary for the operation of such community colleges. ~~Rules and regulations so prescribed shall not be subject to the requirements of the administrative procedure act or any other law requiring notice, hearing or the approval of the attorney general prior to adoption.~~

Sec. 7. Minnesota Statutes, 1977 Supplement, Section 163.27, Subdivision 13, is amended to read:

Subd. 13. [SUSPENSION AND REVOCATION; HEARING.] The registrar of motor vehicles, upon his own motion or upon the complaint of another, shall prepare and cause to be served upon the licensee complained of, a written notice or complaint setting forth, in substance, the violations charged, a statement of the deficiencies which exist and any corrective action deemed appropriate. Said notice shall include a statement that in the event corrective action is deemed appropriate and corrective action is not taken, the dealer's license may be suspended or revoked. The notice shall require the licensee to appear at the time and place fixed therein before the registrar or inspector, and show cause why his license should not be suspended or revoked.

The registrar shall, at the time and place fixed in the notice, proceed to hear and determine the matter on its merits. All hearings shall be conducted in accordance with the provisions of chapter 15; ~~except that the provisions of section 15.052, Subdivision 3, shall not apply.~~ The registrar is authorized to subpoena witnesses and administer oaths. If the registrar shall find the existence of any of the causes for suspension or revocation as set forth in subdivision 12 and determine that corrective action has not been taken or that corrective action will not prevent repetition of the violations charged or that the public interest will not be served by corrective action and the licensee's license should be

suspended or revoked, the registrar shall issue a written order setting out his decision, and a copy of such order shall be served upon such licensee in the manner provided by law for the service of summons in a civil action. If the registrar finds the dealer has violated any of the provisions of this section but that the nature of said violation or the circumstances thereof are such that a suspension of the license would be adequate, he may, instead of revoking the license suspend it for a period not exceeding 90 days. If he finds the violation does not justify a suspension only, he shall revoke the license. Upon a suspension or revocation, if it be a new or used motor vehicle dealer, said licensee shall immediately return to the registrar all number plates, including any "in transit" plates, in its possession and its dealer's license certificate.

Sec. 8. [EFFECTIVE DATE.] *This act shall be effective in respect to all proceedings initiated after April 1, 1978.*"

Amend the title as follows:

Strike the title in its entirety and insert:

"A bill for an act relating to the administrative procedure act; adjusting powers of the attorney general and the chief hearing examiner; removing the exemptions from the rulemaking provisions for the corrections board, the department of employment services, the director of mediation services, the workers compensation division in the department of labor and industry, the workers compensation court of appeals, the board of pardons and the community college board; adding an exemption for the public employment relations board; amending certain procedural requirements of the department of public safety and the water resources board; amending Minnesota Statutes, 1977 Supplement, Sections 15.0411, Subdivision 2; 15.0412, Subdivision 5; 168.27, Subdivision 13; Minnesota Statutes 1976, Sections 15.0413, Subdivisions 1 and 2; 112.801, Subdivision 8; and 136.63, Subdivision 1a."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 1722: A bill for an act relating to education; providing educational aids for children attending nonpublic schools; appropriating money; amending Minnesota Statutes 1976, Sections 120.17, Subdivision 9; 123.931; 123.932, Subdivision 7, and by adding subdivisions; 123.933; 123.935; 123.936; 123.937; 124.212, by adding a subdivision; and Chapter 123, by adding a section; Minnesota Statutes, 1977 Supplement, Sections 124.212, Subdivision 9a; and 124.223; repealing Minnesota Statutes 1976, Sections 123.932, Subdivisions 1, 2, 6 and 8; 123.934; and Laws 1977, Chapter 447, Article VI, Section 12.

Reports the same back with the recommendation that the bill be amended as follows:

Page 6, line 18, after "area" insert "; (a)"

Page 6, line 21, strike "*pupil support*" and insert "*health*"

Page 6, line 23, after "*located*" insert "; and (b) to provide each year upon formal request by a specific date by or on behalf of a nonpublic school secondary pupil enrolled in a nonpublic school located in that district or area, the same specific guidance and counseling services as are provided for public school secondary pupils by the district where the nonpublic school is located"

Page 6, line 32, after "*all*" insert "*eligible*"

Page 8, line 14, strike "*The allotment for guidance and counseling*"

Page 8, strike lines 15 to 21

Page 8, line 22, strike "*current school year.*"

Page 9, line 2, strike "*elementary or*"

Page 9, line 18, strike "*Subdivision 1. Each*"

Page 9, strike lines 19 to 23

Page 9, line 24, strike "*Subd. 2.*"

Page 10, line 3, strike "\$4,204,000" and insert "\$3,993,200"

Page 11, line 21, strike "*or*" and insert "; provided, however, that special instruction and services for handicapped children required pursuant to section 120.17 may also be provided"

Page 11, line 22, strike "*except that*" and insert "*and*"

Pages 13 and 14, strike section 23 and insert:

"Sec. 23. [APPROPRIATION.] *There is appropriated from the general fund to the department of education for the year ending June 30, 1979, the sum of \$10,000 for the purpose of paying the department's expenses of administering sections 1 to 22 of this act. This appropriation shall be added to the amount appropriated for that year for that purpose in Laws 1977, Chapter 449, Section 2.*"

Page 14, line 3, strike "*Subdivision 1.*"

Page 14, line 5, strike "\$750,000" and insert "\$626,300"

Page 14, strike lines 13 to 16

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 1404: A bill for an act relating to education; granting certain powers and duties relating to public libraries to the state board and the state department of education; providing grants for certain library systems; appropriating money; amending Minnesota Statutes 1976, Chapter 134, by adding sections; repeal-

ing Minnesota Statutes 1976, Sections 121.22; 121.23; 121.24; and 134.035.

Reports the same back with the recommendation that the bill be amended as follows:

Page 5, line 1, strike "at least"

Page 5, line 4, strike "at least"

Page 5, line 4, strike ".3" and insert ".2"

Page 5, line 8, strike "at"

Page 5, line 9, strike "least"

Page 5, line 9, strike ".45" and insert ".3"

Page 5, line 14, strike "at least"

Page 5, line 14, strike ".6" and insert ".4"

Page 6, line 10, strike "at least"

Page 6, line 11, strike ".6" and insert ".4"

Page 6, line 14, strike "The state department may"

Page 6, strike lines 15 and 16

Page 6, line 17, strike "system meets all other requirements."

Page 7, line 8, strike "at least"

Page 7, line 13, strike ".6" and insert ".4"

Page 7, line 19, strike "at least"

Page 7, line 20, strike ".6" and insert ".4"

Page 7, after line 32, insert

"Subd. 4. A regional library basic system support grant shall not be made to a regional public library system for a participating city or county which decreases the dollar amount provided for support for operating purposes of public library service below the amount provided by it for the preceding year. This subdivision shall not apply to participating cities or counties where the adjusted assessed valuation of that city or county has decreased, if the dollar amount of the reduction in support is not greater than the dollar amount by which support would be decreased if the reduction in support were made in direct proportion to the decrease in adjusted assessed valuation."

Page 10, after line 2, insert

"Sec. 9. The state department may waive the requirement that three counties participate in the Western Plains system in order for that system to qualify for a basic system support grant pursuant to section 5, until June 30, 1979, if that system meets all other requirements."

Page 10, line 3, strike "9" and insert "10"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Finance, to which was referred

H. F. No. 2068: A bill for an act relating to public television; eliminating restriction on location of television tower; amending Laws 1977, Chapter 320, Section 1.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred

H. F. No. 1447: A bill for an act relating to education; teachers; providing due process rights for certain athletic coaches; amending Minnesota Statutes 1976, Chapter 125, by adding a section.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred

H. F. No. 2081: A bill for an act relating to education; authorizing expansion of the environmental education program; amending Minnesota Statutes 1976, Section 89.35, Subdivision 2; and Minnesota Statutes, 1977 Supplement, Section 126.111, Subdivision 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was referred

H. F. No. 2067: A bill for an act relating to transportation; authorizing permits for the construction of agricultural fences on a highway right-of-way.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Chapter 161, is amended by adding a section to read:

[161.436] [AGRICULTURAL FENCES ON RIGHT-OF-WAY.] *Subdivision 1.* [PERMITS; CONDITIONS.] *The commissioner may grant permits for the erection of fences for agricultural purposes on trunk highway right-of-way subject to the provisions of this section. Permits shall specifically describe the location, type of construction, height and length of the fence per-*

mitted to be erected. As a condition of any permit, the commissioner shall require the permittee to hold the state harmless from any damage that may occur by reason of the erection or maintenance of any fence and to furnish satisfactory evidence of insurance against potential damage claims. The commissioner shall not grant any permit for any fence that, in his judgment, would interfere with or impair highway travel or maintenance.

Subd. 2. [REVOCATION.] A permit may be revoked at any time and for any reason. Revocation shall not entitle the permittee or any other person to compensation of any kind.

Subd. 3. [INTERFERENCE WITH UTILITIES; MAINTENANCE.] No fence for which a permit is granted under this section shall be placed in a manner that interferes with the location or maintenance of the facilities of a public utility. The maintenance of any fence for which a permit is granted under this section shall be the responsibility of the permittee.

Subd. 4. [FEES.] The commissioner may charge a reasonable fee for a permit granted under this section to compensate for the cost of administering the permit system. All fees collected shall be credited to the trunk highway fund.

Subd. 5. [FEDERAL AID.] The commissioner shall take no action under this section that will result in the loss of all or part of any federal aid otherwise available for highway construction in this state."

Amend the title as follows:

Page 1, line 3, strike "a" and insert "trunk"

Page 1, line 4, before the period, insert "; amending Minnesota Statutes 1976, Chapter 161, by adding a section"

And when so amended the bill do pass. Mr. Willet questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Purfeerst from the Committee on Transportation, to which was referred

H. F. No. 1604: A bill for an act relating to town roads; providing cartways; amending Minnesota Statutes 1976, Section 164.08, Subdivision 2.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was referred

H. F. No. 1967: A bill for an act relating to motor vehicles; permitting personalized license plates on trucks; amending Minnesota Statutes 1976, Section 168.12, Subdivision 2a.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 10, strike "Any applicant"

Page 1, line 11, strike "may apply for"

Page 1, line 11, strike the period and insert "*shall be issued to any applicant for registration of a passenger automobile, station wagon, van or pickup truck with a gross weight of 9,000 pounds or less, or self-propelled recreational vehicle,*"

Page 1, line 13, delete "*the*" and strike "motor"

Page 1, line 13, before "*vehicle*" insert "*the*"

Page 1, line 14, strike "which fee is"

Page 1, line 15, delete "motor"

Page 1, line 15, strike ", the"

Page 1, strike line 16

Page 1, line 17, strike "plates"

Page 1, lines 17 to 21, strike the underlined language

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Tennesen from the Committee on Commerce, to which was referred

S. F. No. 1961: A bill for an act relating to commerce; regulating building movers; creating an advisory council; amending Minnesota Statutes 1976, Chapter 221, by adding a section.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 11, after "*in*" insert "*the business of*"

Page 1, line 12, before the period insert "*excluding mobile homes*"

Page 1, lines 14, 17, 18 and 19, strike "*department*" and insert "*commission*"

Page 2, line 4, before "*department*" insert "*commission or*"

Page 2, lines 9, 15 and 24, strike "*department*" and insert "*commission*"

Page 2, line 17, before "*department*" insert "*commission or*"

Page 2, line 22, strike "*granting, suspending and revoking*"

Page 2, line 23, strike "*licenses*"

Page 2, line 26, after "*section*" insert "*and adopt rules*" and after "*issuance*" insert "*, suspension, revocation*"

Page 2, line 32, before the first "department" insert "commission or"

Page 3, line 5, after "The" strike "department" and insert "commission"

Page 3, strike lines 8 to 17

Amend the title as follows:

Page 1, line 3, strike "creating an advisory council;"

And when so amended the bill do pass. Amendments adopted.
Report adopted.

Mr. Tennessen from the Committee on Commerce, to which was referred

S. F. No. 2033: A bill for an act relating to cable communications; providing for line extension; amending Minnesota Statutes 1976, Sections 238.02, by adding subdivisions; 238.08, Subdivision 1; and Chapter 238, by adding a section.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, after line 29, insert:

"Subd. 2. [EXEMPTION.] Notwithstanding any law to the contrary, the governing body of a municipality receiving service from a cable communications system having less than 50 subscribers in the municipality may exempt the cable communications systems from obtaining a permit from that municipality."

Re-number the subdivisions in sequence

Page 2, line 30, before "Any" insert "[MUNICIPAL PERMIT.]"

Page 2, line 31, strike "in a public proceeding" and insert "at a regular or special meeting of the governing body"

Page 3, strike line 1

Page 3, line 2, strike "council, township or county board meeting."

Page 3, line 22, strike "an" and insert "the municipality with jurisdiction over the"

Page 4, line 2, strike "or regulation"

Page 4, line 7, strike "such" and insert "the"

Page 4, line 30, strike "by that time" and insert "thereafter"

Page 5, line 8, strike "and"

Page 5, line 9, strike "regulations"

And when so amended the bill do pass. Amendments adopted.
Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1277: A bill for an act relating to motor vehicles; limiting the issuance of vehicle registration plates or tabs and title documents; and requiring driver license suspension, under certain circumstances; amending Minnesota Statutes 1976, Section 171.16, Subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 169.99, is amended by adding a subdivision to read:

Subd. 1b. The copy of the uniform traffic ticket provided to the violator shall include a notice specifying the consequences which may result pursuant to section 171.16, subdivision 3, if the violator fails to respond to the citation.

Sec. 2. Minnesota Statutes 1976, Section 171.16, Subdivision 3, is amended to read:

Subd. 3. [SANCTIONS FOR FAILURE TO APPEAR OR PAY FINE.] When any court reports to the commissioner that a person: (1) has been ~~convicted of~~ *charged with* violating a law of this state or an ordinance of a political subdivision which regulates the operation or parking of motor vehicles, *and has failed to appear in response to the citation, or* (2) *has been convicted of violating a law of this state or an ordinance of a political subdivision which regulates the operation or parking of motor vehicles, has been sentenced to the payment of a fine only, and* (3) *has refused or failed to comply with that sentence notwithstanding the fact that the court has determined that the person has the ability to pay the fine, the commissioner shall take the following action:*

(a) In the case of a moving traffic violation, he shall suspend the driver's license of such the person for 30 days for a period of refusal or failure to pay or six months or until notified by the court that an appearance has been made or the fine has been paid, whichever is shorter.

(b) In the case of a parking violation, he shall refuse to issue license plates or tabs to the vehicle named in the citation until notified by the court that an appearance has been made or the fine has been paid. If the vehicle named in the citation is transferred to another owner, the commissioner shall issue license plates or tabs to the new owner but not to any other vehicle owned by the owner of the vehicle named in the citation until notified by the court that an appearance has been made or the fine has been paid.

No warrant for the arrest of a person charged with a parking violation shall be issued.

Sec. 3. Minnesota Statutes 1976, Section 171.16, is amended by adding a subdivision to read:

Subd. 6. [PARKING VIOLATIONS.] For the purpose of this section, "parking violation" means a violation of the provisions of sections 169.32, 169.34 to 169.36, or any law or ordinance adopted by a local authority in conformance with these sections or with section 169.04, clause (1), or any other law or ordinance providing for or regulating the parking, stopping or standing of a motor vehicle.

Sec. 4. [EFFECTIVE DATE.] This act is effective July 1, 1979 and applies to all proceedings commenced on or after that date "

Strike the title in its entirety and insert

"A bill for an act relating to motor vehicles; limiting the issuance of vehicle registration plates or tabs and title documents; prohibiting the issuance of arrest warrants for violations of parking laws; defining parking violations; amending Minnesota Statutes 1976, Sections 169.99, by adding a subdivision; and 171.16. Subdivision 3, and by adding a subdivision."

And when so amended the bill do pass. Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration.

Mr. Gearty from the Committee on Elections, to which was referred

S. F. No. 2272: A bill for an act relating to cities of the first class; providing for election of city officers and school board members in November of odd-numbered years; amending Minnesota Statutes 1976, Section 205.021; and Chapter 205, by adding a section; repealing Minnesota Statutes 1976, Sections 205.18 and 205.19.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 14, strike "*Subdivision 1.*"

Page 1, line 19, strike "*subdivision*" and insert "*section*"

Page 1, strike line 24

Page 2, strike lines 1 to 26 and insert

"Sec. 2. Minnesota Statutes 1976, Chapter 205, is amended by adding a section to read:

[205.201] [FIRST CLASS CITIES; ELECTION DAY.] The regular election of all elected officers of a city of the first class, including city council members, the mayor, elected members of city boards and commissions, and the board members of any school district principally situated in the city, shall be held on the first Tuesday after the first Monday in November in odd-numbered years. A primary election shall be held six weeks before the regular election day. No primary shall be held to select candidates for any nonpartisan office when only two persons file for nomination for that office, or when not more than twice the number

of persons to be elected file for nomination for that office. The time for the filing of any affidavit, application, petition or other document required to place the name of any person on the ballot for election to any office to be filled as provided in this section shall commence 14 weeks before the day of the regular election and shall conclude 12 weeks before that day. Any general or special law or home rule charter provision inconsistent with the provisions of this section is superseded to the extent that it is inconsistent with those provisions.

Sec. 3. Minnesota Statutes 1976, Section 123.51, is amended to read:

[123.51] [SPECIAL SCHOOL DISTRICTS, LAWS APPLICABLE.] Special districts as now organized shall continue to operate under the special legislation and charter provisions governing them until conversion to independent districts. The provisions of Laws 1957, Chapter 947, relating to independent districts shall apply to and govern each special district unless the special laws and charter provisions governing the special district provide for the matter, in which case the special laws and charter provisions relating to the special district shall apply and control. *The provisions of section 2 of this act shall control and shall supersede inconsistent provisions of special laws or charters in the matter of school district elections in special districts.*

Sec. 4. Minnesota Statutes 1976, Section 410.21, is amended to read:

410.21 [APPLICATION OF GENERAL ELECTION LAWS.] *Except as provided otherwise in section 2 of this act, the provisions of any charter of any such city adopted pursuant to this chapter shall be valid and shall control as to nominations, primary elections, and elections for municipal offices, notwithstanding that such charter provisions may be inconsistent with any general law relating thereto, and such general laws shall apply only in so far as consistent with such charter.*

Sec. 5. [ADJUSTMENT OF TERMS; CITY OF SAINT PAUL; REFERENDUM.] *The city council of the city of St. Paul by ordinance may extend the terms of all incumbent elected officers of that city to the first business day in January of the even numbered year next following the date the terms would otherwise expire. The ordinance shall be placed on the city ballot at a special city referendum election held at the time of the 1978 general election and shall be effective upon approval by a majority of those voting on the question at that election. The terms of all incumbent officers of the school district principally situated in the city of St. Paul shall be extended in the same manner as the terms of city officers if an ordinance concerning the terms of city officers is adopted and approved as provided in this subdivision. If an ordinance is not adopted and approved as provided in this subdivision, the terms of all incumbent officers described in section 2 of this act, including the incumbent officers of the school district principally situated in the city of St. Paul, shall be reduced to the first business day in January of the even num-*

bered year next preceding the date the terms would otherwise expire."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, strike "Section" and insert "Sections 123.51;"

Page 1, line 5, after "205.021;" insert "410.21;"

And when so amended the bill do pass. Amendments adopted.
Report adopted.

Mr. McCutcheon from the Committee on Taxes and Tax Laws.
to which was re-referred

S. F. No. 1781: A bill for an act relating to education; providing for certain adjustments in aids to education, tax levies, and the distribution of tax revenues; granting certain powers and duties to school boards, school districts, school bus contractors, the commissioner of education, the state board of education, the state board for vocational education, and the board of teaching; allowing certain fees; establishing formulas for travel aid and aid for certain secondary vocational education programs; increasing incentives for teacher mobility; appropriating money; amending Minnesota Statutes 1976, Sections 6.62, Subdivision 1; 120.17, Subdivision 3; 120.64, Subdivision 4; 120.73, by adding a subdivision; 121.21, Subdivision 6; 121.216; 121.904, Subdivision 7, and by adding a subdivision; 122.23, by adding subdivisions; 123.34, Subdivisions 4 and 8; 123.37, Subdivisions 1b, 3 and 4; 123.39, by adding subdivisions; 124.15, Subdivisions 2 and 6; 124.17, by adding a subdivision; 124.212, Subdivision 20; 124.222, by adding a subdivision; 124.563, Subdivision 2; 124.565, by adding a subdivision; 125.12, Subdivisions 6a and 6b; 125.185, Subdivision 4, and by adding a subdivision; 126.12; 127.25, Subdivisions 1, 2, and by adding a subdivision; 128A.02, by adding a subdivision; 128A.03, Subdivision 2; 134.03; 275.125, Subdivisions 6, 15, 16 and 18, and by adding a subdivision; 275.48; 298.39; 298.396; 471.16, Subdivision 1; 471.61, Subdivision 1; Chapter 120, by adding a section; Chapter 124, by adding sections; Minnesota Statutes, 1977 Supplement, Sections 121.912, Subdivision 1; 124.17, Subdivision 1; 124.212, Subdivisions 5a and 8a; 124.214; 124.222, Subdivision 6; 124.223; 124.32, Subdivisions 1b, 5 and 7; 124.562, Subdivision 1; 124.563, Subdivision 1; 124.572, Subdivision 3; 124.573, Subdivisions 2, 3, and by adding a subdivision; 125.60, Subdivision 2; 125.61, Subdivisions 1 and 2; 176.011, Subdivision 9; 275.07; 275.124; 275.125, Subdivisions 2a, 9 and 13; 298.28, Subdivision 1; Laws 1967, Chapter 33, by adding a section; Laws 1967, Chapter 822, Section 7, as amended; Laws 1969, Chapter 775, Section 4, Subdivision 1 and Subdivision 2, as amended; Laws 1969, Chapter 1060, Section 7, as amended; Laws 1971, Chapter 722, Section 1, as amended; Laws 1977, Chapter 447, Article I, Section 23, Subdivision 2 and Article III, Section 16. Subdivision 2; repealing Minnesota Statutes 1976, Sections 120.065; 120.07; 124.02; 124.16; Minnesota Statutes, 1977 Supplement, Sections 123.39, Subdivision 5a; and 124.213.

Reports the same back with the recommendation that the bill be amended as follows:

Page 7, after line 30, insert:

"Sec. 12. Minnesota Statutes, 1977 Supplement, Section 122.85, Subdivision 1, is amended to read:

122.85 [EXPERIMENTAL PAIRING.] Subdivision 1. Notwithstanding the provisions of sections 122.41 and 122.43, the board of any school district paired with another in this section upon approval by the school boards of both of the paired districts may enter into an agreement providing for the discontinuance by one district of any of grades kindergarten through 12 or portions of those grades and the instruction in the other district of the pupils in the discontinued grades or portions of grades. This provision shall apply on an experimental basis to the following pairs of school districts: Independent School Districts No. 217 and No. 220, No. 243 and No. 245, No. 328 and No. 516, No. 440 and No. 444, No. 649 and No. 650, No. 654 and No. 655, No. 782 and No. 783, and No. 893 and No. 896. These experimental pairing agreements shall not extend beyond June 30, 1980."

Page 87, after line 3, insert:

"Sec. 85. [CONSOLIDATION ELECTION; INDEPENDENT SCHOOL DISTRICTS No. 326 and No. 323.]

At any election called pursuant to section 122.23 for the consolidation of Independent School District No. 326 and Independent School District No. 323, the boards of those districts may submit to the voters of those districts an additional proposal to:

(a) increase the number of directors on the board of the consolidated district to seven, and

(b) establish separate election districts from which the directors of the consolidated district will be elected.

The proposal shall be set forth in a joint resolution of the boards of both districts adopted in accordance with Minnesota Statutes, Section 123.32, Subdivision 22. That portion of the joint resolution establishing the separate election districts shall be adopted in accordance with Minnesota Statutes, Section 123.32, Subdivisions 9 to 21.

The proposal shall be effective upon approval of that proposal and the consolidation proposal by a majority of those voting at that election.

This section expires December 31, 1979."

Page 90, line 3, strike "33" and insert "34"

Page 90, line 28, strike "94" and insert "96"

Page 90, line 31, strike "57" and insert "58"

Page 90, line 31, strike "60" and insert "61"

Page 91, after line 4, insert:

"Subd. 3. Section 12 of this act, insofar as it affects named pairs of independent school districts, shall be effective as to each pair upon its approval by the school boards of both of the paired districts. Otherwise, section 12 of this act shall be effective the day following final enactment."

Page 91, strike lines 5 and 6 and insert "Subd. 4. Sections 5, 6, 7, 25, 31, 33, 34, 38, 39, 40, 41, 42, 49, 63, 64, 65, 66, 68, 81, 83, 84, 85, 93, 94 and"

Page 91, line 7, strike "93" and insert "95"

Renumber the sections in sequence

Further, amend the title as follows:

Page 1, line 35, after "1;" insert "122.85, Subdivision 1;"

And when so amended the bill do pass. Amendments adopted.
Report adopted.

Mr. Davies from the Committee on Judiciary, to which were referred the following appointments as reported in the Journal for February 9, 1978:

TAX COURT OF APPEALS

John Knapp

Earl B. Gustafson

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Davies from the Committee on Judiciary, to which was referred the following appointment as reported in the Journal for February 13, 1978:

TAX COURT OF APPEALS

Jack Fena

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Coleman from the Committee on Rules and Administration, to which were referred

H. F. Nos. 1797, 2159 and 1870 for comparison with companion Senate Files, reports the following House Files were found identical and recommends the House Files be given their second reading and substituted for their companion Senate Files 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.
1797	1916				
2159	1862				
1870	1717				

and that the above Senate Files be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which were referred

H. F. Nos. 2051, 2298, 2494, 2493, 1921, 838 for comparison with companion Senate Files, reports the following House Files were found not identical with their companion Senate Files 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.
2494	2371				
2051	1909				
2298	1398				
838	322				
1921	2025				
2493	2370				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2298 be amended as follows:

Page 1, after line 21 insert

"Sec. 2. [EFFECTIVE DATE.] This act is effective the day following final enactment."

And when so amended H. F. No. 2298 will be identical to S. F. No. 1398, and further recommends that H. F. No. 2298 be given its second reading and substituted for S. F. No. 1398, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2051 be amended as follows:

Page 1, line 16, strike the semicolon and insert a new comma

Page 1, line 17 insert a new comma before "and" and delete "exceed" and insert "receive"

Page 1, line 18, delete "a total of" and insert "more than"

Page 1, line 21, delete "governing body of the board of" and after "park" insert "and recreation board of"

Further, amend the title in line 3 by inserting after "the" the words "park and recreation"

Page 1, line 4, delete "park"

And when so amended H. F. No. 2051 will be identical to S. F. No. 1909, and further recommends that H. F. No. 2051 be given its second reading and substituted for S. F. No. 1909, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 838 be amended as follows:

Page 4, line 14, strike "\$20,000" and insert "*a total of \$50,000*"

Page 4, line 14, restore the stricken language and after "counties" insert "*and financial institutions*"

Page 5, after line 26, insert

"No resolution, ordinance, rule, or regulation approved by the managers after August 1, 1978, which affects land or water within the boundaries of a home rule charter or statutory city shall be effective within the city's boundaries prior to notifying the governing body of the city."

Page 9, line 16, after "an" insert "annual"

Page 9, delete lines 17 to 20 and insert "*valorem levy not to exceed one mill on each dollar of assessed valuation of all taxable property within the district. At no time shall the balance of the survey and data acquisition fund exceed \$50,000. In a*"

Page 12, line 25, after "property" insert "*pursuant to section 112.69*"

Page-15, delete lines 19 to 24 and insert

"[112.87] [DAMAGES, PAYMENT.] Section 117.115 shall not apply to any project to be financed by special assessment. When the damages for a project to be financed by special assessment are awarded and duly confirmed, the managers shall determine that the project's benefits exceed the total costs, including any damages awarded, and shall amend its statement filed with the county auditor pursuant to section 112.60, subdivision 1, to reflect the amount of damages awarded. Before entering upon any property for which damages were awarded in order to initiate the construction of the project, the managers shall pay the amount of damages awarded less any assessment against the property from the funds provided by the county board pursuant to section 112.60. In case of appeal of the amount of damages, no damages shall be paid until the final determination thereof."

Page 16, line 3, after "fee" insert "*of not less than \$35,*"

Page 17, delete lines 2 and 3

Further, amend the title as follows:

Line 7, delete "requiring" and insert "authorizing watershed districts to require"

And when so amended H. F. No. 838 will be identical to S. F. No. 322, and further recommends that H. F. No. 838 be given its second reading and substituted for S. F. No. 322, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2493 be amended as follows:

Strike everything after the enacting clause and insert

"Section 1. [PUBLIC LAND AND BUILDINGS; GENERAL AND OTHER FUND APPROPRIATIONS.] The sums set forth in the column designated "APPROPRIATIONS" are appropriated from the general fund, or any other fund designated, to the state agencies indicated to be expended in accordance with the provisions of this act.

SUMMARY

Sec. 2. CAPITOL COMPLEX	\$ 1,562,990
Sec. 3. NATURAL RESOURCES	359,860
Sec. 4. MILITARY AFFAIRS	30,000
Sec. 5. EDUCATION	170,500
Sec. 6. COMMUNITY COLLEGES	1,100,000
Sec. 7. MINNESOTA HISTORICAL SOCIETY	66,000
Sec. 8. TRANSPORTATION	5,253,490
Sec. 9. CORRECTIONS	3,231,550
Sec. 10. PUBLIC WELFARE	10,443,887
TOTAL—ALL FUNDS	\$22,218,277
General Fund	16,638,962
Game and Fish Fund	238,340
Trunk Highway Fund	5,340,975

APPROPRIATIONS

Sec. 2. [CAPITOL COMPLEX.]

To the commissioner of administration for the purposes specified in this section	1,562,990
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APPROPRIATIONS

	\$	\$
(a) Install emergency lighting in historical society and transportation buildings, and upgrade fire alarm system in transportation building	110,000	
(b) Replace centennial condenser	43,600	
(c) Replace surface of plaza on west side of capitol	165,500	
(d) Modify electrical and dewatering system in transportation building	11,660	
(e) Replace roof on administration and centennial buildings	247,750	
(f) Rebuild centennial east entrance to conserve energy and strengthen exterior glass wall	119,900	
(g) Install smoke detectors in capitol ventilation system	39,000	
(h) Replace roof and sky light in the historical building	146,600	
(i) Install veterans services humidifier	11,555	
(j) Repair steam lines and replace expansion joints	98,100	
(k) Install humidifier in transportation building	15,825	
(l) Install hoist and rewire capitol rotunda chandelier	27,500	
(m) General purpose remodeling	125,000	
(n) Remodel department of revenue offices	150,000	
(o) Replace exterior doors of historical society building	16,000	
(p) Clean exterior and remodel and repair curator's office in historical building	140,000	
(q) Refinish capitol's golden horses and install protective barrier	95,000	

Of this appropriation \$87,485 is from the trunk highway fund for projects partial (a), (d) and (k).

Sec. 3. [NATURAL RESOURCES.]

APPROPRIATIONS

	\$	\$
To the commissioner of natural resources for the purposes specified in this section		359,860
(a) Repair or replace Grand Rapids service center heating plant	38,640	
(b) Replace heating system and improve insulation at Carlos Avery wildlife management area	38,640	
(c) Remodel Hibbing mineral office to reduce heat loss and improve heating system	70,000	
(d) Remodel old French River hatchery	167,500	
(e) Remodel Grand Rapids area headquarters	32,200	
(f) Replace roof at Grand Rapids service center	12,880	

Of this appropriation \$238,340 is from the game and fish fund for projects (b), (d) and (e).

Sec. 4. [MILITARY AFFAIRS.]

To the adjutant general to replace the National Guard Armory heating boiler at Madison, Minnesota	30,000
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This appropriation shall not be expended until the commissioner of administration has explored with the Madison school district the feasibility of using a joint heating plant.

Sec. 5. [EDUCATION.]

To the commissioner of administration for the purposes specified in this section	170,500
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(a) For ventilation and fire detection systems at Pollard hall at the Minnesota school for the deaf	41,000
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(b) Faribault school	52,000
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This appropriation is for the development of preliminary plans for construction of an educational residential facility for the vision-impaired and multiply handicapped at the Faribault school, including the selection of a building site, schematic drawing of the building and cost estimates of construction.

APPROPRIATIONS

	\$	\$
(c) For the remodeling of buildings on the deaf campus of the Faribault school to make them accessible for temporary use by the school's vision-impaired and multiply handicapped students		77,500
Sec. 6. [COMMUNITY COLLEGES.]		
To the chancellor of the community college system for road repair, landscaping, remodeling, and miscellaneous maintenance		1,100,000
Sec. 7. [MINNESOTA HISTORICAL SOCIETY.]		
To the Minnesota historical society for the purposes specified in this section		66,000
(a) Landscape and remodel main research center	16,000	
(b) Plan Mississippi river interpretive center	50,000	
Sec. 8. [TRANSPORTATION.]		
Subdivision 1. To the commissioner of transportation for the purposes more specifically described in the following subdivisions of this section		5,253,490
Subd. 2. Improve to meet OSHA requirements, reroofing, remodeling and miscellaneous repairs		616,940
Subd. 3. Provide storage sheds for chemical storage		47,000
Subd. 4. Planning for central shop and labs		40,000
Subd. 5. Construct district headquarters and equipment storage buildings at the locations specified in this subdivision		4,549,550
(a) Willmar district headquarters	2,539,700	
(b) Dakota county including land	849,000	
(c) Waseca	163,500	
(d) Slayton	158,050	
(e) Milaca	158,050	
(f) Deer River	168,950	
(g) Zumbrota	158,050	

APPROPRIATIONS

	\$	\$
(h) Hawley	147,150	
(i) McGregor	207,100	
The appropriations in this section are from the trunk highway fund.		
Sec. 9. [CORRECTIONS.]		
To the commissioner of administration for the purposes specified in this section		3,231,550
(a) Safety and Health	1,727,459	
(b) Planning for the Minnesota State Prison renovation	235,000	
(c) General Projects	893,091	
(d) Security	376,000	

Sec. 10. [PUBLIC WELFARE.]

To the commissioner of administration for the purposes specified in this section		10,443,887
(a) Life Safety	2,784,649	
(b) Renovation	5,307,188	
(c) Furniture	200,000	
(d) Carpeting	132,000	
(e) General Projects	1,450,050	

It is in the public interest to proceed with expedience to implement appropriations for life safety and general projects at the state hospitals. Therefore, state officers in charge of construction are authorized to retain designing architects and engineers currently working on similar projects at these hospitals without complying with the provisions of Minnesota Statutes 1976, Chapter 16, insofar as they relate to selection of architects and engineers.

(f) Security Hospital	250,000
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\$50,000 of this appropriation is available to identify alternative providers of services for people who would otherwise be placed in the Minnesota Security Hospital and also to identify alternative locations for the Minnesota Security Hospital. \$200,000 of this appropriation is

APPROPRIATIONS

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\$

available for the department of public welfare to do the minimum remodeling necessary in Shantz Hall to prevent over crowding of the Minnesota Security Hospital.

(g) Power plants

320,000

Planning shall consider and allow for the possibility that portions of the Faribault facility may be consolidated.

Sec. 11. [REVIEW OF BUILDING PLANS.] *Neither the commissioner of administration nor the commissioner of transportation shall prepare final plans and specifications for any construction or major remodeling authorized by this act until the using agency or department has presented the program and schematic plans to the chairman of the house appropriations committee and the chairman of the senate finance committee and the chairmen have made their recommendations thereon. The recommendations shall be advisory only. Failure or refusal to make a recommendation promptly shall be deemed a negative recommendation.*

Sec. 12. [APPROPRIATIONS FOR CONSTRUCTION; TRANSFER.] *Upon the awarding of final contracts for the completion of any project for construction or other permanent improvement authorized by this act, the commissioner of administration and the commissioner of transportation may transfer any unencumbered balance in the project account to any other project enumerated in the same section of the appropriation act as the project about to be completed, or to any other project enumerated in the section relating to the same agency or area in the omnibus appropriation act for building acquisition and betterment enacted at the same session of the legislature. The money transferred pursuant to this section is appropriated for the purposes for which transferred. Each commissioner shall report to the chairman of the house appropriations committee and the chairman of the senate finance committee on any transfer made pursuant to this section.*

Sec. 13. [APPROPRIATIONS FOR CONSTRUCTION; FEDERAL MONEY; EXCEEDING AUTHORIZED COST.] *The commissioner of administration shall apply for the maximum federal share for each capital improvement project for which money is appropriated by this act. Encumbrance or expenditure of money in excess of the project authorization shall be made only after the commissioner of administration has consulted with the chairman of the house appropriations committee and the chairman of the senate finance committee and the chairmen have made their recommendations thereon. The recommendations shall be advisory only. Failure or refusal to make a recommendation promptly shall be deemed a negative recommendation.*

Sec. 14. [16.323] [METHODS OF ACQUISITION.] *Where*

money has been appropriated to the commissioner of administration to acquire lands or sites for public buildings or real estate, acquisition may be by gift, purchase, or condemnation proceedings. Condemnation proceedings shall be pursuant to chapter 117.

Sec. 15. Minnesota Statutes 1976, Section 16A.11, Subdivision 1, is amended to read:

16A.11 [BUDGET SUBMITTED TO LEGISLATURE.] Subdivision 1. [WHEN TO BE SUBMITTED.] The governor shall, within three weeks after the first Monday in January in each odd-numbered year, submit the budget to the legislature. It shall include recommendations as to capital expenditure, *but these need not be submitted until April 15*. The budget shall include two parts.

Sec. 16. Minnesota Statutes, 1977 Supplement, Section 161.125, Subdivision 1, is amended to read:

161.125 [SOUND ABATEMENT ALONG HIGHWAYS.] Subdivision 1. The commissioner of transportation shall, in accordance with the department's program, implement sound abatement measures within or along the perimeter of any interstate or trunk highway within incorporated areas located within the metropolitan area or any municipality whenever the noise level attributable to vehicular traffic at the abutting residential property line is in excess of the federal noise standards. The commissioner shall utilize available federal matching funds *in available for constructing and maintaining the acoustical barriers sound abatement measures*.

Sec. 17. [ACOUSTICAL BARRIERS; MORATORIUM; STUDY.] Subdivision 1. *The commissioner of transportation shall not cause the construction of any additional acoustical barriers on or along already completed trunk or interstate highways except those acoustical barrier projects for which construction has been programmed by the commissioner as of March 1, 1978.*

Subd. 2. The commissioner of transportation shall evaluate all areas within the metropolitan area along the trunk highway and interstate system where state noise standards are exceeded, and shall report to the legislature by January 1, 1980, his recommendations concerning what type sound abatement measures should be implemented for each area. The report shall also summarize the information gathered from a study of all acoustical barriers constructed in this state and shall include the following: the effect of acoustical barriers on noise levels at abutting property lines; the effect of acoustical barriers on the value of abutting real property; the opinions of abutting property owners on the effectiveness and desirability of acoustical barriers; and the advantages and disadvantages of using measures other than acoustical barriers for sound abatement.

Sec. 18. [OLD GILLETTE HOSPITAL; DISPOSITION.] *The commissioner of administration may sell the state-owned property formerly known as the Gillette state hospital for crippled children in the manner which will realize the greatest return to the state. The sale, however, shall be made only after advertising the sale of*

the property and inviting sealed bids which shall be opened at the time specified and read aloud. The sale shall be made to the best bidder. The advertisement of the sale shall be made in local and national publications including but not limited to such publications as the Wall Street Journal and the New York Times. The state reserves the right to reject any and all bids.

Sec. 19. [REPEALER.] *Laws 1977, Chapter 454, Section 16 is repealed.*

Sec. 20. [EFFECTIVE DATE.] *This act is effective the day following final enactment.*

Further strike the title and insert

"A bill for an act relating to public improvements; authorizing alteration, repair, rehabilitation, equipping, and replacement of equipment of public buildings with certain conditions; postponing deadline for submission of capital budget; authorizing purchase and sale of public lands and buildings; limiting construction of acoustical barriers; appropriating money; amending Minnesota Statutes 1976, Section 16A.11, Subdivision 1; Minnesota Statutes, 1977 Supplement, Section 161.125, Subdivision 1; repealing Laws 1977, Chapter 454, Section 16."

And when so amended H. F. No. 2493 will be identical to S. F. No. 2370, and further recommends that H. F. No. 2493 be given its second reading and substituted for S. F. No. 2370, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1921 be amended as follows:

Page 1, after line 8 insert

"Section 1. Minnesota Statutes 1976, Section 429.011, Subdivision 2, is amended to read:

Subd. 2. "Municipality" means any city of the second, third, or fourth class however organized, or any statutory city or any town containing platted land situated wholly or partly within 25 miles of the city hall of a city of the first class having a population of more than 200,000 inhabitants as defined in section 368.01."

Page 1, line 22, delete "a majority" and insert "all"

Page 2, line 1, after "improvement" insert a comma

Renumber sections in sequence

Further, amend the title as follows:

Line 6, delete "Subdivision" and insert "Subdivisions 2 and"

And when so amended H. F. No. 1921 will be identical to S. F. No. 2025, and further recommends that H. F. No. 1921 be given

its second reading and substituted for S. F. No. 2025, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2494 be amended as follows:

Strike everything after the enacting clause and insert:

“Section 1. [PUBLIC LAND AND BUILDINGS; BUILDING FUND APPROPRIATIONS.] The sums set forth in the column designated “APPROPRIATIONS” are appropriated from the state building fund, or any other fund designated, to the state agencies indicated, to be expended for the acquisition and betterment of public land and buildings and other public improvements of a capital nature, as more specifically described in the following sections of this act.

SUMMARY

Sec. 2. STATE-WIDE	\$13,000,000
Sec. 3. STATE PLANNING AGENCY	1,200,000
Sec. 4. CAPITOL COMPLEX	2,733,800
Sec. 5. NATURAL RESOURCES	647,980
Sec. 6. VETERANS HOME	984,100
Sec. 7. EDUCATION	9,140,026
Sec. 8. STATE UNIVERSITIES	10,243,100
Sec. 9. COMMUNITY COLLEGES	9,337,966
Sec. 10. UNIVERSITY OF MINNESOTA	55,139,280
Sec. 11. MINNESOTA HISTORICAL SOCIETY	3,717,944
Sec. 12. CORRECTIONS	2,148,118
Sec. 13. PUBLIC WELFARE	889,923
Sec. 14. STATE BUILDING ASSISTANCE	50,000
Sec. 15. STATE BUILDING ADMINISTRATION	150,000
Sec. 16. STATE BUILDING CONTINGENT	200,000
Sec. 17. BOND SALE EXPENSES	55,000
TOTAL—ALL FUNDS	\$109,637,237
General Fund	101,976
Building Fund	100,602,211
Vocational-Technical Building Fund	8,933,050

APPROPRIATIONS

Sec. 2. [STATE-WIDE.]

To the commissioner of administration for the purposes specified in this section	13,000,000
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(a) Provide access for the handicapped	10,000,000
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This appropriation shall not be expended until the commissioner of administration has developed a plan for how it will be spent, submitted the plan to the council for the handicapped for its recommendations, and submitted the plan and the recommendations of the council for the handicapped to the subcommittee on state departments of the senate and the division of state departments of the house of representatives and received their recommendations on the plan. Failure of either the council or the legislative bodies to make a recommendation promptly is deemed a negative recommendation.

(b) Energy conservation	3,000,000
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Sec. 3. [STATE PLANNING AGENCY.]

To the director of the state planning agency for local outdoor athletic court grants pursuant to section 4.36, subdivision 4	1,200,000
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Sec. 4. [CAPITOL COMPLEX.]

To the commissioner of administration for the purposes specified in this section	2,733,800
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(a) Coal power plant plans	300,000
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(b) Power plant chiller and extension of piping systems	872,000
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(c) Acquire land and rehabilitate the building at 1246 University avenue for the bureau of criminal apprehension	1,050,000
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This appropriation is added to the appropriation in Laws 1976, Chapter 348, Section 2, Subdivision 2.

(d) Reforest and landscape capitol area	511,800
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Areas landscaped shall include the following:

APPROPRIATIONS

	\$	\$
Rice-University-Park-Sherburne block		
Park-University-Capitol-Sherburne block		
Cass Gilbert Memorial Park		
Arboretum		
South mall		
State office and DOT building areas		
Sec. 5. [NATURAL RESOURCES.]		
To the commissioner of administration for the purposes specified in this section		647,980
(a) Hibbing tanker base	251,780	
(b) Construct and equip Bemidji regional shop and warehouse	252,000	
(c) Construct and equip drill core library at Hibbing mineral office	144,200	
Sec. 6. [VETERANS HOME.]		
To the commissioner of administration for the veterans home		984,100
(a) Replace boiler—state share	457,800	
(b) Connect building 6 to new facility with walkway—state share	52,500	
(c) Convert to new voltage system—state share	64,750	
(d) Renovate utility tunnels—state share	118,650	
(e) Construct sewer lift station—state share	22,650	
(f) Construct and equip nursing care facility at the veterans home—state share	267,750	
This appropriation is added to the appropriation in Laws 1976, Chapter 348, Section 3, Subdivision 1.		
Sec. 7. [EDUCATION.]		
Subdivision 1. To the state board of education or the commissioner of administration for the purposes more specifically described in the following subdivisions of this section		9,140,026
Subd. 2. For post-secondary vocation-		

APPROPRIATIONS

	\$	\$
al-technical construction in the school districts listed in this subdivision		8,933,050
(a) School District No. 697, Eveleth	529,600	
The total cost of the construction project shall not exceed \$974,000, whether paid from state, local, or federal funds.		
(b) School District No. 578, Pine City	500,000	
The total cost of the construction project shall not exceed \$1,000,000, whether paid from state, local, or federal funds.		
(c) School District No. 564, Thief River Falls	1,160,000	
This appropriation shall not be spent until School District No. 564 has submitted schematic plans to the chairman of the senate finance committee and the chairman of the house appropriations committee and the chairmen have made their recommendations thereon. The recommendations shall be advisory only. Failure or refusal to make a recommendation promptly shall be deemed a negative recommendation.		
(d) School District No. 181, Brainerd	925,000	
The total cost of the construction shall not exceed \$1,850,000, whether paid from state, local or federal funds.		
(e) School District No. 535, Rochester	1,250,000	
The total cost of the construction shall not exceed \$2,500,000, whether paid from state, local or federal funds.		
(f) School District No. 742, St. Cloud	1,110,000	
The total cost of the construction shall not exceed \$2,600,000, whether paid from state, local or federal funds.		
(g) School District No. 583, Pipestone	560,000	
The total cost of the construction project shall not exceed \$1,120,000, whether paid from state, local, or federal funds.		
(h) School District No. 819, Wadena	330,000	
The total cost of the construction shall not exceed \$660,000, whether paid from state, local or federal funds.		

APPROPRIATIONS

	\$	\$
(i) School District No. 916	980,050	
The total construction cost shall not exceed \$1,960,100, whether paid from state, local or federal funds.		
(j) School District No. 891, Canby	302,400	
The total construction cost shall not exceed \$604,800, whether paid from state, local or federal funds.		
(k) School District No. 206, Alexandria	250,000	
The total construction cost shall not exceed \$500,000, whether from state, local or federal funds.		
(l) School District No. 894, Granite Falls	36,000	
The total construction cost shall not exceed \$72,000, whether paid from state, local or federal funds.		
(m) School District No. 347, Willmar	1,000,000	
The total cost of the construction project shall not exceed \$2,000,000, whether paid from state, local, or federal funds.		
The appropriations in this subdivision are from the vocational-technical building fund.		
Subd. 3. Post-secondary vocational debt service aid		101,976
This appropriation is added to the appropriation for fiscal year 1979 in Laws 1977, Chapter 447, Article 5, Section 20, Subdivision 5.		
This appropriation is from the general fund.		
Subd. 4. To the commissioner of administration for a fire and life safety system at the Minnesota school for the deaf		105,000
Sec. 8. [STATE UNIVERSITIES.]		
Subdivision 1. To the commissioner of administration for the purposes more specifically described in the following subdivisions of this section		10,243,100
Subd. 2. Bemidji Campus		4,279,000

APPROPRIATIONS

	\$	\$
(a) Remodeling of Deputy and Sanford Halls	3,679,000	
(b) Construct receiving/warehouse building	200,000	
(c) Installation of Automated Control System	400,000	
Subd. 3. Mankato Campus		4,057,100
(a) Completion of Highland Campus Consolidation	3,600,000	
(b) Retrofit Trafton Center	207,100	
(c) Power plant	250,000	
Subd. 4. Moorhead Campus		601,800
(a) Remodeling of Fine Arts Center	324,000	
(b) Rehabilitation of Windows, Installation of Elevator and Ramps—Lohmen Hall	150,000	
(c) Assessments	9,800	
(d) Power plant	118,000	
Subd. 5. St. Cloud Campus		1,053,200
(a) Hallenbeck Addition—Planning Funds	264,000	
(b) Construct Maintenance Building	550,000	
(c) Audio Visual Retrieval System	170,000	
(d) Assessments	69,200	
Subd. 6. Winona Campus—Land Acquisition		143,000
Subd. 7. Systemwide—O.S.H.A. Requirements		109,000
Sec. 9. [COMMUNITY COLLEGES.]		
To the commissioner of administration to plan, construct and equip facilities at the following community colleges		9,337,966
(a) Inver Hills	2,311,000	
(b) Metropolitan	3,454,250	
(c) Vermillion	585,000	
(d) Normandale	2,987,716	

APPROPRIATIONS

	\$	\$
Sec. 10. [UNIVERSITY OF MINNESOTA.]		
Subdivision 1. To the regents of the University of Minnesota for the purposes more specifically described in the following subdivisions of this section		55,139,280
Subd. 2. At the University of Minnesota Minneapolis Campus		21,765,061
(a) Preliminary Planning for Recycling East Bank Buildings	255,000	
To study and prepare a report outlining the necessary remodeling and space reassignment resulting in the most effective use of existing east bank buildings. The balance remaining in Laws 1973, Chapter 778, Section 7, Subdivision 2 (1) is reappropriated for the purpose of determining additional space needs for the music program, beyond remodeling of Fraser hall, through remodeling of existing facilities or new construction.		
(b) Civil/Mineral Engineering—Working Drawings	680,000	
(c) Studio Arts remodeling	300,000	
(d) Remodeling of Fraser and Folwell halls	5,900,000	
(e) Remodeling of Cooke Hall and Norris Gymnasium	905,267	
(f) Upgrade Utility Services and Remodel Chemistry Laboratories in Smith Hall	2,400,000	
(g) Tennis courts enclosure—site work	156,708	
(h) Theater Arts Equipment—Rarig Center	150,000	
(i) Primary Electric System—Health Sciences	300,564	
(j) Remodeling of Variety Club Heart Hospital, 4th floor ventilation	194,238	
(k) Pollution control and Heating Plant Expansion	3,673,000	
(l) Primary Electric System	556,810	

APPROPRIATIONS

	\$	\$
(m) Water Distribution System	202,554	
(n) Sewer Separation	320,220	
(o) Media equipment—Rarig Center	770,700	
(p) Tree removal	100,000	
(q) Upgrade for Physically Handicapped, University-wide	2,000,000	
(r) O.S.H.A. Projects, University-wide	1,000,000	
(s) Energy Retrofit, University-wide	1,500,000	
(t) Energy Conservation, University-wide	400,000	
Subd. 3. At the University of Minnesota St. Paul Campus		23,209,823
(a) Vocational Education—Working Drawings	295,537	
(b) Completion of McNeal Hall Remodeling	170,000	
(c) Veterinary medicine—Phase II	19,160,880	
<p>This appropriation is not available unless the university board of regents and the state of Wisconsin have signed a 30 year contract by June 1, 1978, pledging the state of Wisconsin to reimburse Minnesota for the full share of construction costs, totaling \$10,989,330, for 140 Wisconsin students each year. Additional costs associated with Wisconsin students shall be reimbursed in accordance with conditions contained in the contract document and the existing higher education coordinating board reciprocity agreement.</p>		
(d) Maintenance and Central Storage Building	540,000	
(e) Expansion of Intramural Sports Facilities	300,000	
(f) Roadway project, parking and fencing	789,728	
(g) Remodeling agricultural engineering building	1,427,460	
(h) Improvement of Water Distribution	169,884	

APPROPRIATIONS

	\$	\$
(i) St. Anthony Storm Sewer Assessment	140,334	
(j) Plot land irrigation system	216,000	
Subd. 4. At the University of Minnesota Duluth Campus		1,111,515
(a) Preliminary Plans and working drawings for a Business and Economics Building	50,000	
(b) Remodeling of social sciences, home economics, humanities, and Alworth hall	218,292	
(c) Coal Gasifier Plant—State share	643,223	
(d) Water distribution system improvements	200,000	
Subd. 5. At the University of Minnesota Morris Campus		
Remodeling of Laboratory Facilities in Science Building		149,000
Subd. 6. At the University of Minnesota Crookston Campus		3,318,695
(a) Construct and equip Food Services Building	2,600,000	
(b) Physical Education Building and Outdoor Recreation areas—Working Drawings	142,763	
(c) Road and campus improvements	305,932	
(d) Heating Plant improvements	270,000	
Subd. 7. At the University of Minnesota Waseca Campus		2,868,243
(a) Construct and Equip Classroom Laboratory Building and addition to Special Purpose Laboratories	2,698,720	
(b) Heating Plant improvements	45,360	
(c) Construct and equip Greenhouse	55,163	
(d) Development of Outdoor Physical Education Facilities	69,000	
Subd. 8. At the University of Minnesota Rosemount experiment station		883,774
(a) Feed mixing and handling facility	817,095	

APPROPRIATIONS

	\$	\$
(b) Working drawings—Research laboratory	66,679	
Subd. 9. At the University of Minnesota Northwest Experiment Station at Crookston		159,340
(a) Auditorium remodeling	100,000	
(b) Field Lab building	59,340	
Subd. 10. At the University of Minnesota North Central Experiment Station at Grand Rapids		192,000
(a) Construct silo with unloader and bunk feeder	27,000	
(b) Construct and Equip Greenhouse	150,000	
The appropriation made by Laws 1976, Chapter 348, Section 6, Subdivision 7 is canceled.		
(c) Construct chemical storage facility	15,000	
Subd. 11. At the University of Minnesota West Central Experiment Station at Morris		70,484
(a) Construct Machinery Storage Building	55,484	
(b) Construct Chemical Storage Facility	15,000	
Subd. 12. At the University of Minnesota Southern Experiment Station at Waseca		187,743
(a) Construct Shop and Farm Operations Center	172,743	
(b) Construct Chemical Storage Facility	15,000	
Subd. 13. At the University of Minnesota Southwest experiment station at Lamberton		44,235
(a) Resurface roadway and parking lot	16,782	
(b) Research building addition	27,453	
Subd. 14. At the University of Minnesota Cloquet Forestry Center		55,599
(a) Cabin addition and remodeling	15,000	

APPROPRIATIONS

	\$	\$
(b) Polishing Pond for Sewage Treatment	30,240	
(c) Sewer lines	10,359	
Subd. 15. At the University of Minnesota Lake Itasca Forestry and Biological Station		78,848
(a) Construct and equip Resident Manager's House and Office	40,000	
(b) Dining Hall and Kitchen rehabilitation	38,848	
Subd. 16. At the University of Minnesota Cedar Creek Natural History Area		113,456
(a) Garage/storage/research building	70,986	
(b) Remodeling of Bio-Electronics Laboratory	42,470	
Subd. 17. At the University of Minnesota Horticultural Research Center—Excelsior		99,015
(a) Chain Link Fence	73,609	
(b) Construct Pesticides Storage Facility	25,406	
Subd. 18. At the University of Minnesota Landscape Arboretum—Chaska		291,449
(a) Machine shed expansion	37,303	
(b) Parking lot	32,400	
(c) Sewer Connection to Chanhasen's System	221,746	
Subd. 19. At the University of Minnesota Hormel Institute at Austin		
Construct and Equip Small Animal Holding Facility		541,000
Sec. 11. [MINNESOTA HISTORICAL SOCIETY.]		
Subdivision 1. To the Minnesota historical society for the purposes more specifically described in the following subdivisions of this section		3,717,944
Subd. 2. Construct Fort Snelling Visitor Center		2,977,944
(a) Building design and construction supervision	207,764	

APPROPRIATIONS

	\$	\$
(b) Special Excavation	234,350	
(c) General Construction	1,697,130	
(d) Mechanical/Electrical	464,200	
(e) Site work	163,500	
(f) Furnishings	211,000	

Project costs shown in this subdivision are estimates only.

Federal money received pursuant to the Great River Road project formula shall be deposited in the general fund as reimbursement for this state expenditure.

Subd. 3. Restore and repair Split Rock Lighthouse		190,000
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Subd. 4. Construct exhibits		150,000
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(a) Historical Building	100,000	
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(b) Capitol Exhibits	50,000	
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Capitol exhibits shall be displayed only after consultation with the secretary of the senate and the chief clerk of the house of representatives.

Project costs shown in this subdivision are estimates only.

Subd. 5. Acquire and restore James J. Hill house		400,000
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(a) Acquisition	250,000	
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This appropriation shall be expended with the approval of the governor after consultation with the legislative advisory commission as provided in Minnesota Statutes, Section 3.30.

(b) Restoration, repairs, code compliance, furnishings, and the like	150,000	
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Sec. 12. [CORRECTIONS.]

To the commissioner of administration for the purposes specified in this section		2,148,118
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(a) Renovation	1,097,518	
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(b) Power plants	1,050,600	
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Prior to the expenditure of the \$1,000,000 appropriated for the Minnesota state

APPROPRIATIONS

\$

\$

prison for the power plant, the departments of administration and corrections shall submit to the chairman of the senate finance committee and the chairman of the house appropriations committee a plan for the expenditure of the appropriation.

Sec. 13. [PUBLIC WELFARE.]

To the commissioner of administration for air conditioning welfare institutions

889,923

It is in the public interest to proceed with expedience to implement appropriations for ward remodeling at the state hospitals. Therefore, state officers in charge of construction are authorized to retain designing architects and engineers currently working on similar projects at these hospitals without complying with the provisions of Minnesota Statutes 1976, Chapter 16, insofar as they relate to selection of architects and engineers.

Sec. 14. [STATE BUILDING ASSISTANCE.] To the commissioner of administration for the state building assistance account

50,000

This appropriation may be spent for the purpose of preparing preliminary plans or other documentation that may be required for assistance in obtaining non-state participation in state building programs.

Sec. 15. [STATE BUILDING ADMINISTRATION.] For administration of the state building program, including the employment of personnel

150,000

Sec. 16. [STATE BUILDING CONTINGENT.] To the commissioner of administration for the state building contingent account

200,000

This appropriation may be spent for plans, studies and surveys, and for alterations, betterments, construction, reconstruction, improvements, or rehabilitation of any state owned building or structure, if it appears to the commissioner that the expenditure is necessary

APPROPRIATIONS

\$ \$

in the public interest in order to avoid injury or damage to persons or property and money has not been otherwise appropriated for these purposes. The commissioner, however, shall not authorize any expenditures from the account until he has first consulted with the chairman of the house appropriations committee and the chairman of the senate finance committee and has received their recommendations thereon. The recommendations shall be advisory only. Failure or refusal to make a recommendation promptly shall be deemed a negative recommendation.

Sec. 17. [BOND SALE EXPENSES.]

To the commissioner of finance for bond sale expenses pursuant to Minnesota Statutes, Sections 16A.64, Subdivision 4; and 121.215, Subdivision 3

55,000

Sec. 18. [BOND SALE; DEBT SERVICE.] *Subdivision 1. To provide the money appropriated in this act from the state building fund the commissioner of finance upon request of the governor shall sell and issue bonds of the state in the amount of \$100,605,000 in the manner and upon the terms prescribed by Minnesota Statutes, Sections 16A.63 to 16A.67 and by the Constitution, Article XI, Sections 4 to 7.*

Subd. 2. To provide the money appropriated in this act from the vocational-technical building fund the commissioner of finance is authorized upon request of the state board of education to sell and issue vocational-technical building bonds of the state in the amount of \$8,935,000 in the manner and upon the terms prescribed in Minnesota Statutes, Section 121.215 and by the Constitution, Article XI, Sections 4 to 7. The proceeds of the bonds, except as provided in Minnesota Statutes, Section 121.215, Subdivision 5, are appropriated to the vocational-technical building fund for expenditure in accordance with this act.

Sec. 19. [CONSULTATION REQUIRED.] *No land shall be purchased and no buildings shall be purchased, constructed, or erected on lands of the university of Minnesota until the regents have first consulted with the chairman of the senate finance committee and the chairman of the house appropriations committee and obtained their recommendation, which shall be advisory only.*

Sec. 20. [REVIEW OF PLANS.] *Neither the commissioner of administration nor the board of regents of the university of Minnesota shall prepare final plans and specifications for any building authorized by this act until the using agency or department has presented the program and schematic plans to the chairman of*

the house appropriations committee and the chairman of the senate finance committee and the chairmen have made their recommendations thereon. The recommendations shall be advisory only. Failure or refusal to make a recommendation promptly shall be deemed a negative recommendation.

Sec. 21. [APPROPRIATIONS FOR CONSTRUCTION; TRANSFER.] *Upon the awarding of final contracts for the completion of any project for construction or other permanent improvement authorized by this act, the commissioner as to appropriations made to him and the regents as to appropriations made to them may transfer any unencumbered balance in the project account to any other project enumerated in the same section of the appropriation act as the project about to be completed, or to any other project enumerated in the section relating to the same agency or area in the omnibus appropriation act for building repairs and rehabilitation enacted at the same session of the legislature. The money transferred pursuant to this section is appropriated for the purposes for which transferred. The commissioner of administration and the regents of the university of Minnesota shall report to the chairman of the house appropriations committee and the chairman of the senate finance committee on any transfer made pursuant to this section.*

Sec. 22. [APPROPRIATIONS FOR CONSTRUCTION; FEDERAL MONEY; EXCEEDING AUTHORIZED COST.] *The commissioner of administration and the board of regents of the university of Minnesota shall apply for the maximum federal share for each capital improvement project for which money is appropriated by this act. Encumbrance or expenditure of money in excess of the project authorization shall be made only after the commissioner of administration and the board of regents have consulted with the chairman of the house appropriations committee and the chairman of the senate finance committee and the chairmen have made their recommendations thereon. The recommendations shall be advisory only. Failure or refusal to make a recommendation promptly shall be deemed a negative recommendation.*

Sec. 23. Minnesota Statutes, 1977 Supplement, Section 18.023 Subdivision 1, is amended to read:

18.023 [SHADE TREE DISEASE CONTROL.] Subdivision 1. [DEFINITIONS.] *As used in subdivisions 1 to 12 the terms defined in this subdivision shall have the meanings given them.*

(a) "Metropolitan area" means the area comprising the counties of Hennepin, Ramsey, Anoka, Dakota, Washington, Scott and Carver.

(b) "Commissioner" means the commissioner of agriculture.

(c) "Municipality" means any home rule charter or statutory city or any town exercising municipal powers pursuant to section 368.01, or any general or special law, located in the metropolitan area; or any special park district as organized under chapter 398; or any special purpose park and recreation board organized under

the city charter of a city of the first class located in the metropolitan area; or any county in the metropolitan area for the purposes of county owned property or any portion of a county located outside the geographic boundaries of a city or town exercising municipal powers; and any municipality or county located outside the metropolitan area with an approved disease control program; or the university of Minnesota.

(d) "Shade tree disease" means Dutch elm disease or oak wilt disease.

(e) "Wood utilization or disposal system" means facilities, equipment or systems used for the removal and disposal of diseased shade trees, which includes the collection, transportation, processing or storage of wood and which aids in the recovery of materials or energy from wood.

(f) "Approved disease control program" means the municipal plan as approved by the commissioner to control shade tree disease.

(g) "Disease control area" means an area approved by the commissioner within which a municipality will conduct an approved disease control program.

(h) "Sanitation" means the identification, inspection, disruption of a common root system, girdling, trimming, removal and disposal of dead or diseased wood of elm or oak shade trees, including subsidies for trees removed pursuant to subdivision 4, on public or private property within a disease control area.

(i) "Reforestation" means the replacement of shade trees removed from public property as part of an approved disease control program. For purposes of this clause, "public property" shall include private property within five feet of the boulevard or street terrace in any city which has enacted an ordinance on or before January 1, 1977, that prohibits or requires a permit for the planting of trees in the public right of way.

Sec. 24. Minnesota Statutes, 1977 Supplement, Section 18.023, Subdivision 3a, is amended to read:

Subd. 3a. [GRANTS TO MUNICIPALITIES.] (a) The commissioner may, in the name of the state and within the limit of appropriations provided, make grants-in-aid to a municipality with an approved disease control program for the partial funding of municipal sanitation and reforestation programs. The commissioner may make grants-in-aid to any home rule charter or statutory city of more than 40,000 population in the metropolitan area as defined in subdivision 1 or a combination of such cities of 40,000 combined population under a joint powers agreement pursuant to section 471.59, or a home rule charter or statutory city of more than 20,000 population outside the metropolitan area or a combination of such cities of 20,000 combined population under a joint powers agreement pursuant to section 471.59 any special purpose park and recreation board organized under a charter of a city of the first class or any non-profit corporation

-serving a city of the first class or any county having an approved disease control program for the acquisition or implementation of a wood utilization or disposal system , or the university of Minnesota .

(b) The commissioner shall promulgate rules for the administration of grants authorized by this subdivision. The rules shall establish and contain as a minimum:

(1) Procedures for grant applications;

(2) Conditions and procedures for the administration of grants;

(3) Criteria of eligibility for grants including, but not limited to, those specified in this subdivision; and

(4) Such other matters as the commissioner may find necessary to the proper administration of the grant program.

(c) Grants-in-aid payments for wood utilization and disposal systems made by the commissioner pursuant to this subdivision shall not exceed 50 percent of the total cost of the system. Grants to any municipality for sanitation shall not exceed 45 percent of sanitation costs approved by the commissioner including any amount of sanitation costs paid by special assessments, ad valorem taxes, federal grants or other funds. A municipality shall not specially assess a property owner any amount greater than the amount of the tree's sanitation cost minus the amount of the tree's sanitation cost reimbursed by the commissioner. Grants to municipalities for reforestation shall not exceed the lesser of 50 percent of the cost or \$40 multiplied by the number of trees planted pursuant to the reforestation program and shall be limited for any municipality in any year to grants for not more than the number of trees removed on public property in the sanitation program in the previous year, except during the first year of any approved disease control program; provided that a reforestation grant to any county may include up to 90 percent of the cost of the first 50 trees planted on public property in a town not described in subdivision 1 and of less than 1,000 population upon the town's application to the county. Reforestation grants to towns as described in subdivision 1 of less than 1,000 population with an approved disease control program may include up to 90 percent of the first 50 trees planted on public property. For the purpose of this subdivision, "cost" shall not include the value of a gift or dedication of trees required by a municipal ordinance but shall include documented "in kind" services or voluntary work for municipalities with a population of less than 1,000 according to the 1970 census.

(b) Based upon estimates submitted by the municipality to the commissioner, which shall state the estimated costs of sanitation and reforestation in the succeeding quarter under an approved program, the commissioner shall direct quarterly advance payments to be made by the state to the municipality commencing April 1, 1977. The commissioner shall direct adjustment of any overestimate in a succeeding quarter. A municipality may

elect to receive the proceeds of its sanitation and reforestation grants on a periodic cost reimbursement basis.

(e) A home rule charter or statutory city or county outside the metropolitan area or any municipality, as defined in subdivision 1, may submit an application for a grant authorized by this subdivision concurrently with its request for approval of a disease control program.

Sec. 25. Minnesota Statutes 1976, Section 121.21, Subdivision 4a, is amended to read:

Subd. 4a. No district shall expend funds from any source for ~~construction of, additions to or expansion of facilities of the acquisition or betterment of lands or buildings or for capital improvements needed for~~ an area vocational-technical school without the approval of the state board and authorization by specific legislative act if ~~the construction, addition that acquisition, betterment or expansion capital improvement~~ requires the expenditure of an amount equal to or greater than \$50,000, or requires the issuance of school district bonds. ~~No acquisition or betterment of lands or buildings or capital improvement which requires the expenditure of an amount less than \$50,000 but equal to or greater than \$75 per pupil unit in average daily membership in the school or which changes the perimeter walls of an existing facility shall be carried out without the approval of the state board.~~ No construction, ~~addition acquisition or betterment of lands or buildings or expansion capital improvement~~ which requires the expenditure of less than \$75 per pupil unit in average daily membership in the school and which does not change a perimeter wall and which does not require the issuance of school district bonds, shall be carried out without the approval of the commissioner of education. *As used in this subdivision, the terms "acquisition" and "betterment", as applied to lands and buildings, and "capital improvement" shall have the meanings ascribed to them in Minnesota Statutes, Chapter 475.*

Sec. 26. Minnesota Statutes 1976, Section 121.214, Subdivision 1, is amended to read:

121.214 [VOCATIONAL-TECHNICAL BUILDING FUND.] Subdivision 1. [PURPOSE.] A vocational-technical building fund is created as a separate bookkeeping account in the general books of the state for the purpose of providing money appropriated to the state board of education for the acquisition and betterment of public land, buildings, and capital improvements needed for the area vocational-technical education program of the state, as established and annually revised in the state plan for the administration of vocational education, for which the state board of education is responsible under the provisions of sections 121.21, 123.351, 124.53 to 124.62, and other applicable laws.

Sec. 27. Minnesota Statutes 1976, Section 121.214, Subdivision 3, is amended to read:

Subd. 3. [DISBURSEMENTS.] Disbursements from the fund shall be made by the state treasurer upon the order of the commissioner of finance at the times and in the amounts requested by

the state board of education in accordance with the applicable appropriation acts, for grants to school districts for the acquisition and betterment of land, buildings, and capital improvements for area vocational-technical institutes ; . *These grants shall only be made upon the conditions and in accordance with all standards ; and criteria ; and priorities established in the state plan board rules and in the legislative act authorizing the specific acquisition, betterment or capital improvement .*

Sec. 28. Minnesota Statutes 1976, Section 121.214, is amended by adding a subdivision to read:

Subd. 4. The purpose of this subdivision is to change the method of funding post-secondary vocational facilities from post-secondary vocational debt service aid pursuant to section 124.564 to direct state appropriations from the vocational-technical building fund. Eighty-five percent of the cost of post-secondary vocational facilities authorized by specific legislative act after January 1, 1979 shall be financed through appropriations from the vocational-technical building fund and 15 percent of the cost of these facilities shall be financed by the school district operating the post-secondary vocational-technical school. A school district may finance its portion of the cost of these facilities by any lawful means, including but not limited to the use of cash reserves or the use of proceeds from the sale of bonds. No bonds shall be authorized, issued, or sold, nor shall any election be held to authorize the issuance of bonds, if the proceeds will be used to finance a project for which specific legislative approval is required, until after that specific legislative approval has been given.

Sec. 29. Minnesota Statutes 1976, Section 124.564, is amended to read:

124.564 [POST-SECONDARY VOCATIONAL DEBT SERVICE AID.] *Subdivision 1.* The state board for vocational education shall provide, for credit against the debt service levy of qualifying districts, post-secondary vocational debt service aid equal to the state portion of debt service costs. The state portion of debt service costs shall equal the amount necessary to make payments due in each school year ending June 30 with respect to *qualifying* bonds issued to finance post-secondary vocational facilities and interest thereon, multiplied by the average of the district's non-resident reimbursement percentage pursuant to Minnesota Statutes 1974, Section 121.21, Subdivision 5, in fiscal years ended June 30, 1973, 1974, and 1975.

For purposes of the computation of debt service aid, qualifying bonds shall include only:

- (a) bonds issued prior to January 1, 1976;*
- (b) bonds issued after January 1, 1978, to finance post-secondary vocational facilities projects which receive funds appropriated in section 7 of this act; and*
- (c) bonds issued at any time to refund the bonds described in (a) and (b).*

No district shall qualify for this post-secondary vocational debt service aid unless it has certified a levy in the total amount required by section 475.61, for collection in the calendar year in which the aid credit is to be given.

Subd. 2. There shall be no post-secondary vocational debt service aid for the state portion of debt service costs for bonds issued on or after January 1, 1978 to finance post-secondary vocational facilities and interest thereon, unless these bonds are issued to finance post-secondary vocational facilities projects which receive funds appropriated in section 7 of this act.

Subd. 3. Post-secondary vocational debt service aid shall be computed each year before October 1 ; commencing October 1, 1976, by the state board for vocational education with reference to each school district bond issue financing post-secondary vocational facilities as a the percentage specified in subdivision 1 of the sum of the bonds principal and interest to on qualifying bonds which will become due in the school year commencing on the following July 1.

Subd. 4. The amount for each school district shall be certified by the board on or before October 1 to the school district, and to the county auditors of all counties containing taxable property within the school district, and to the state commissioner of finance. This amount shall be deducted by the county auditors from the amount of the debt service levies of the school district to be assessed and extended against the taxable property therein for collection in the following year, and shall be payable instead from the appropriation made by this section.

Subd. 5. The commissioner of finance shall issue to the state treasurer warrants for payment of one-half of the amount to the treasurer of the school district on or before July 15 and one-half thereof on or before November 15 in the following year, in lieu of the distributions of this amount otherwise payable by county treasurers at these times under the provisions of section 276.11.

Subd. 6. The amount of \$7,500,000 necessary is annually appropriated from the general fund to the respective districts entitled to these payments, for expenditure in fiscal years beginning with fiscal year 1978. This appropriation shall not lapse until and unless otherwise provided by law, but shall be reduced by the amount of any funds specifically appropriated for the same purpose in any year from any state fund. In the event that the appropriation is revoked in any future year, the state board for vocational education shall certify this fact to each school district theretofore entitled to an aid credit under this subdivision.

Subd. 7. The appropriation heretofore made for post-secondary vocational debt service aid payable in the school year ending June 30, 1977, is confirmed, and the board shall continue to provide for the payment of debt service aids therefrom at or before the due dates of school district bonds and interest in that school year. In addition, the state board for vocational education shall pay to districts which expended cash balances to finance the construction of new post-secondary vocational facilities and which the state

board prior to May 15, 1975 agreed to repay for these expenditures the amount of the repayment specified in the agreement. Funds received in repayment shall revert to the fund of origin in the district.

Sec. 30. [EFFECTIVE DATE.] *This act is effective the day following final enactment.*"

Further strike the title and insert

"A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state building bonds; authorizing university of Minnesota to participate in shade tree disease control program; limiting capital improvements at vocational-technical schools; appropriating money; amending Minnesota Statutes 1976, Sections 121.21, Subdivision 4a; 121.214, Subdivisions 1, 3, and 4; 124.564; and Minnesota Statutes, 1977 Supplement, Section 18.023, Subdivisions 1 and 3a."

And when so amended H. F. No. 2494 will be identical to S. F. No. 2371, and further recommends that H. F. No. 2494 be given its second reading and substituted for S. F. No. 2371, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments Adopted. Report Adopted.

SECOND READING OF SENATE BILLS

S. F. Nos. 2275, 1839, 1726, 1026, 1478, 1722, 1404, 1961, 2033, 2272 and 1781 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. Nos. 2068, 1797, 2159, 1870, 2051, 2298, 2494, 2493, 1921 and 838 were read the second time.

H. F. Nos. 1447, 2081, 1604 and 1967 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS

Mr. Luther moved that the name of Mr. Kirchner be added as co-author to S. F. No. 2393. The motion prevailed.

Mr. Wegener moved that H. F. No. 1884 be withdrawn from the Committee on Transportation and re-referred to the Committee on Judiciary. The motion prevailed.

Mr. Knoll introduced Senate Resolution No. 29: A Senate resolution congratulating the Washburn High School basketball team

on winning the Minneapolis Conference and Twin Cities Championships and Class AA third place in the State High School Basketball Tournament.

Referred to the Committee on Rules and Administration.

Mr. Nelson moved that H. F. No. 405 and the Conference Committee Report thereon be taken from the table. The motion prevailed.

CONFERENCE COMMITTEE REPORT ON H. F. NO. 405

A bill for an act relating to gambling; authorizing the operation of certain gambling devices by licensed organizations; providing a penalty; amending Minnesota Statutes 1976, Sections 325.54, Subdivision 1; 340.14, Subdivision 2; 609.75; 609.76; Chapters 349, by adding a section; and 609, by adding a section.

March 1, 1978

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 405, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and H. F. No. 405 be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 325.54, Subdivision 1, is amended to read:

325.54 [GAMBLING DEVICE; POSSESSION OF.] Subdivision 1. [INTENTIONAL POSSESSION; WILFUL KEEPING.] The intentional possession or wilful keeping of a gambling device upon any licensed premises is cause for the revocation of any license under which the licensed business is carried on upon the premises where the gambling device is found, *provided that possession of gambling devices commonly known as "paddlewheels" or "tipboards" or apparatus used in conducting raffles on the premises of a nonprofit organization and operated by organizations licensed for such operation pursuant to section 3 shall not be cause for revocation of a license.*

Sec. 2. Minnesota Statutes 1976, Section 340.14, Subdivision 2, is amended to read:

Subd. 2. [RESTRICTIONS.] Every licensee shall be responsible for the conduct of his place of business and for conditions of sobriety and order therein. No licensee shall keep, possess, or operate, or permit the keeping, possession, or operation of, on the licensed premises, or in any room adjoining the licensed premises, any slot machine, dice, or any gambling device or apparatus, nor permit any gambling therein, nor permit the licensed premises or any room in the same, or in any adjoining building, directly or

indirectly under its control to be used as a resort for prostitutes or other disorderly persons, *except that gambling devices may be kept or operated and raffles conducted on licensed premises and adjoining rooms when such activities are licensed by the local unit of government pursuant to section 3.* No person under 18 years of age shall be employed in any rooms constituting the place in which intoxicating liquors are sold at retail "on-sale", *except that persons under 18 years of age may be employed as musicians or to perform the duties of a busboy or dishwashing services in places defined as a restaurant or hotel or motel serving food in rooms in which intoxicating liquors are sold at retail "on-sale".*

Sec. 3. Minnesota Statutes 1976, Chapter 349, is amended by adding a section to read:

[349.26] [GAMBLING DEVICES.] *Subdivision 1. For the purposes of this section the terms defined in this section have the meanings given them.*

Subd. 2. "Gambling devices" mean those gambling devices known as "paddlewheels" or "tipboards", or apparatus used in conducting raffles.

Subd. 3. "Paddlewheel" means a wheel marked off into sections containing one or more numbers, and which, after being turned or spun, uses a pointer or marker to indicate winning chances.

Subd. 4. "Tipboard" means a board, placard or other device measuring at least 12 inches square, marked off in a grid or similar pattern, in which each section contains a hidden number or numbers, or other symbol, which determines the winning chances.

Subd. 5. "Raffle" means a game in which a participant buys a ticket for a chance at a prize with the winner determined by a random drawing.

Subd. 6. "Profit" means the gross receipts from the operation of gambling devices and the conduct of raffles, less reasonable sums expended for prizes, local licensing fees, taxes and maintenance costs for the devices.

Subd. 7. Nothing in this section shall be construed to authorize any use, possession or operation of:

(a) Any gambling device which is activated by the insertion of a coin or token; or

(b) Any gambling game or device in which the winning numbers, tickets or chances are in any way determined by the outcome of any athletic contest or sporting event.

Subd. 8. Any county or city may establish a system for the licensing of organizations to operate gambling devices and to conduct raffles. The system may include a fee for each license in an amount to be determined by the local governing body. Licenses issued pursuant to this section shall be valid for one year, and may be suspended or revoked for any violation of this section. A local governing body shall act on a license application within 180

days from the date of application, but shall not issue a license until at least 30 days after the date of the application. Nothing in this section shall be construed to prohibit a county or city from adopting rules or ordinances for the operation of gambling devices or the conduct of raffles that are more restrictive than state law, including rules or ordinances prohibiting the operation of such devices.

Subd. 9. Licenses shall be issued only to a fraternal, religious, veterans or other nonprofit organization covered by section 290.05, subdivision 1, clause (i) or (k), which organization has been in existence for at least three years and has at least 30 active members, as defined in section 349.12, subdivision 2.

Subd. 10. Profits from the operation of gambling devices or the conduct of raffles shall be used solely for lawful purposes as defined in section 349.12, subdivision 6, and as authorized at a regular meeting of the organization.

Subd. 11. All operation of gambling devices and the conduct of raffles shall be under the supervision of a single gambling manager designated by the organization. The gambling manager shall be responsible for gross receipts and profits from gambling devices and raffles and for their operation. The gambling manager shall give a fidelity bond in the sum of \$10,000 in favor of the organization conditioned on the faithful performance of his duties, and the bond and the waiver thereof shall be subject to the same provisions as those applying to the bond required of a bingo manager pursuant to section 349.17, subdivision 7. A person may act as both gambling manager and bingo manager for a single organization, but a gambling manager for a single organization shall not act as either a gambling manager or bingo manager for any other organization. A gambling manager for an organization shall be an active member of the organization, as defined in section 349.12, subdivision 2.

Subd. 12. No compensation shall be paid to any person in connection with the operation of a gambling device or the conduct of a raffle by a licensed organization. No person who is not an active member of an organization, or its auxiliary, or the spouse or surviving spouse of an active member may participate in the organization's operation of a gambling device or conduct of a raffle.

Subd. 13. Each organization licensed to operate gambling devices shall keep records of its gross receipts, expenses and profits for each single gathering or occasion at which gambling devices are operated or a raffle is conducted. All deductions from gross receipts for each single gathering or occasion shall be documented with receipts or other records indicating the amount, a description of the purchased item or service or other reason for the deduction, and the recipient. The distribution of profits shall be itemized as to payee, purpose, amount and date of payment.

Gross receipts from the operation of gambling devices and the conduct of raffles shall be segregated from other revenues of the organization, including bingo gross receipts, and placed in a sepa-

rate account. Each organization shall have separate records of its gambling operations. The person who accounts for gross receipts, expenses and profits from the operation of gambling devices or the conduct of raffles shall not be the same person who accounts for other revenues of the organization, except that such person may be the same person who accounts for bingo gross receipts, expenses and profits.

Each organization licensed to operate gambling devices or to conduct raffles shall report monthly to its membership, and to the licensing local unit of government, its gross receipts, expenses and profits from gambling devices or raffles, and the distribution of profits itemized as required in this subdivision.

Records required by this section shall be preserved for three years, and organizations shall make available their records relating to operation of gambling devices and the conduct of raffles for public inspection at reasonable times and places.

Subd. 14. Gambling devices shall be operated and raffles conducted by a licensed organization only upon premises which it owns or leases except that tickets for raffles conducted in accordance with this section may be sold off the premises. Leases, unless authorized in another location by the local unit of government, shall be for a period of not less than one year and shall be in writing. No lease shall provide that rental payments be based on a percentage of receipts or profits from gambling devices or raffles. Copies of all leases shall be provided to the licensing local unit of government.

Subd. 15. Total prizes from the operation of paddlewheels and tipboards awarded in any single day in which they are operated shall not exceed \$500. Total prizes resulting from any single spin of a paddlewheel, or from any single tipboard, shall not exceed \$100. Total prizes awarded in any calendar year by any organization from the operation of paddlewheels and tipboards and the conduct of raffles shall not exceed \$15,000. Merchandise prizes shall be valued at fair market retail value.

Subd. 16. Violation of any provision of this section is a misdemeanor. This subdivision shall not preclude civil or criminal action under other applicable law or preclude any agency of government from investigating or prosecuting violations of the provisions of this section.

Sec. 4. Minnesota Statutes, 1976, Section 609.75, Subdivision 1, is amended to read:

609.75 [GAMBLING; DEFINITIONS.] Subdivision 1. [LOTTERY.] A lottery is a plan designed for or resulting in any private pecuniary gain to the sponsors or their agents, and which provides for the distribution of money, property or other reward or benefit to persons selected by chance from among participants some or all of whom have given a consideration for the chance of being selected. Acts in this state in furtherance of a lottery conducted outside of this state are included notwithstanding its validity where conducted.

Sec. 5. Minnesota Statutes 1976, Section 609.75, Subdivision 3, is amended to read:

Subd. 3. [WHAT ARE NOT BETS.] The following are not bets:

(1) A contract to insure, indemnify, guarantee or otherwise compensate another for a harm or loss sustained, even though the loss depends upon chance.

(2) A contract for the purchase or sale at a future date of securities or other commodities.

(3) Offers of purses, prizes or premiums to the actual contestants in any bona fide contest for the determination of skill, speed, strength, endurance, or quality or to the bona fide owners of animals or other property entered in such a contest.

(4) The game of bingo when conducted in compliance with sections 349.11 to 349.23.

(5) A private social bet not part of or incidental to organized, commercialized, or systematic gambling.

(6) *The operation of a gambling device or the conduct of a raffle as defined in section 3, by an organization licensed for such operation by a local unit of government pursuant to section 3.*

Sec. 6. Minnesota Statutes 1976, Chapter 609, is amended by adding a section to read:

[609.761] [OPERATION PERMITTED.] *Notwithstanding sections 609.755 and 609.76, a fraternal, religious, veterans or other nonprofit organization may set up or operate a gambling device or conduct a raffle as defined in section 3, if licensed by the local unit of government and conducted pursuant to section 3, and a person may manufacture, sell or offer for sale a gambling device to the organization."*

Further, amend the title as follows:

Page 1, line 6, after "609.75" insert ", Subdivisions 1 and 3"

Page 1, line 7, delete "609.76;"

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Leo J. Reding, Robert C. Jensen, Stanley J. Fudro

Senate Conferees: (Signed) Tom A. Nelson, Jack I. Kleinbaum, Edward J. Gearty

Mr. Nelson moved that the foregoing recommendations and Conference Committee Report on H. F. No. 405 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

H. F. No. 405: A bill for an act relating to gambling; authorizing the operation of certain gambling devices by licensed organizations;

providing a penalty; amending Minnesota Statutes 1976, Sections 325.54, Subdivision 1; 340.14, Subdivision 2; 609.75, Subdivisions 1 and 3; Chapters 349, by adding a section; and 609, by adding a section.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 40 and nays 15, as follows:

Those who voted in the affirmative were:

Anderson	Hughes	Lessard	Penny	Spear
Bang	Humphrey	Luther	Peterson	Staples
Benedict	Johnson	McCutcheon	Purfeerst	Stokowski
Chenoweth	Keefe, S.	Moe	Schmitz	Stumpf
Coleman	Kleinbaum	Nelson	Schrom	Ueland, A.
Engler	Knaak	Nichols	Setzepfandt	Vega
Frederick	Knoll	Ogdahl	Sikorski	Wegener
Gearty	Laufenburger	Olson	Solon	Willet

Those who voted in the negative were:

Bernhagen	Dunn	Kirchner	Merriam	Sieloff
Davies	Gunderson	Knutson	Olhoft	Strand
Dieterich	Jensen	Menning	Pillsbury	Tennessee

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Hughes moved that S. F. No. 2378 be withdrawn from the Committee on Education and re-referred to the Committee on Finance. The motion prevailed.

Mr. Hughes moved that S. F. No. 2366 be withdrawn from the Committee on Education and re-referred to the Committee on Finance. The motion prevailed.

Mr. Olson moved that the report from the Committee on General Legislation and Veterans Affairs, reported March 7, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Olson moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Olson moved that in accordance with the report from the Committee on General Legislation and Veterans Affairs, reported March 7, 1978, the Senate, having given its advice, do now consent to and confirm the appointment of:

BOARD OF THE ARTS

Alvina O'Brien, 480 Grand Hill, St. Paul, Ramsey County, ef-

fective January 2, 1978, for a term expiring the first Monday in January, 1982.

The motion prevailed. So the appointment was confirmed.

SUSPENSION OF RULES

Mr. Coleman moved to take up the Consent Calendar and waive the lie-over requirement. The motion prevailed.

CONSENT CALENDAR

S. F. No. 1702: A bill for an act relating to education; school district pairing; permitting experimental pairing for certain Independent School Districts; amending Minnesota Statutes, 1977 Supplement, Section 122.85, 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 58 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Olson	Spear
Ashbach	Gearty	Laufenburger	Penny	Staples
Bang	Gunderson	Lessard	Peterson	Stokowski
Benedict	Hughes	Luther	Pillsbury	Strand
Bernhagen	Humphrey	McCutcheon	Purfeerst	Stumpf
Borden	Johnson	Menning	Renneke	Tennesen
Chenoweth	Keefe, J.	Merriam	Schmitz	Ueland, A.
Chmielewski	Keefe, S.	Moe	Schrom	Uland, J.
Coleman	Kirchner	Nelson	Setzepfandt	Vega
Davies	Kleinbaum	Nichols	Sieloff	Willet
Dunn	Knaak	Ogdahl	Sikorski	
Engler	Knoll	Olhoff	Solon	

So the bill passed and its title was agreed to.

S. F. No. 2183: A bill for an act relating to the administration of justice; providing for compensation of assistant public defenders; amending Minnesota Statutes 1976, Section 611.24.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Chmielewski	Gunderson	Kirchner	McCutcheon
Ashbach	Coleman	Hughes	Kleinbaum	Menning
Bang	Davies	Humphrey	Knaak	Merriam
Benedict	Dunn	Jensen	Knutson	Moe
Bernhagen	Engler	Johnson	Laufenburger	Nelson
Borden	Frederick	Keefe, J.	Lessard	Nichols
Chenoweth	Gearty	Keefe, S.	Luther	Ogdahl

Olhoff	Purfeerst	Setzepfandt	Staples	Ueland, A.
Olson	Renneke	Sieloff	Stokowski	Ulland, J.
Penny	Schaaf	Sikorski	Strand	Vega
Peterson	Schmitz	Solon	Stumpf	Wegener
Pillsbury	Schrom	Spear	Tennessee	Willet

So the bill passed and its title was agreed to.

H. F. No. 2283: A bill for an act relating to the division of highway patrol; concerning salaries; increasing the salary of a corporal, amending Minnesota Statutes, 1977 Supplement, Section 299D.03, Subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knoll	Olhoff	Solon
Ashbach	Gearty	Knutson	Olson	Spear
Bang	Gunderson	Laufenburger	Penny	Staples
Benedict	Hughes	Lessard	Peterson	Stokowski
Bernhagen	Humphrey	Luther	Pillsbury	Strand
Borden	Jensen	McCutcheon	Purfeerst	Stumpf
Chenoweth	Johnson	Menning	Schaaf	Tennessee
Chmielewski	Keefe, J.	Merriam	Schmitz	Ueland, A.
Coleman	Keefe, S.	Moe	Schrom	Ulland, J.
Davies	Kirchner	Nelson	Setzepfandt	Vega
Dunn	Kleinbaum	Nichols	Sieloff	Wegener
Engler	Knaak	Ogdahl	Sikorski	Willet

So the bill passed and its title was agreed to.

H. F. No. 1834: A bill for an act relating to labor; increasing fees for boiler inspection and engineers' licenses; amending Minnesota Statutes 1976, Sections 183.545, Subdivisions 1, 2, 3, and 4; and 183.57, Subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 46 and nays 10, as follows:

Those who voted in the affirmative were:

Bang	Jensen	Lessard	Penny	Strand
Benedict	Johnson	Lewis	Peterson	Stumpf
Chenoweth	Keefe, J.	Luther	Pillsbury	Tennessee
Chmielewski	Keefe, S.	McCutcheon	Schaaf	Ueland, A.
Coleman	Kirchner	Merriam	Sieloff	Wegener
Davies	Kleinbaum	Moe	Sikorski	Willet
Engler	Knaak	Nelson	Solon	
Gearty	Knoll	Nichols	Spear	
Gunderson	Knutson	Olhoff	Staples	
Hughes	Laufenburger	Olson	Stokowski	

Those who voted in the negative were:

Ashbach	Dunn	Ogdahl	Schmitz	Setzepfandt
Bernhagen	Menning	Renneke	Schrom	Ulland, J.

So the bill passed and its title was agreed to.

S. F. No. 1636: A bill for an act relating to education; allowing Independent School District No. 710 to transfer a surplus amount from its debt service fund to its capital expenditure fund.

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:

Anderson	Engler	Knoll	Olhoff	Solon
Ashbach	Frederick	Knutson	Olson	Spear
Bang	Gearly	Laufenburger	Penny	Staples
Benedict	Gunderson	Lessard	Peterson	Stokowski
Bernhagen	Hughes	Lewis	Pillsbury	Strand
Borden	Humphrey	Luther	Renneke	Stumpf
Chenoweth	Jensen	McCutcheon	Schaaf	Tennessee
Chmielewski	Johnson	Menning	Schmitz	Ulland, A.
Coleman	Keefe, J.	Merriam	Schrom	Ulland, J.
Davies	Kirchner	Nelson	Setzepfandt	Vega
Dieterich	Kleinbaum	Nichols	Sieloff	Willet
Dunn	Knaak	Ogdahl	Sikorski	

So the bill passed and its title was agreed to.

H. F. No. 935: A bill for an act relating to counties; powers of the boards of county commissioners; including the board of county commissioners of Ramsey County among those county boards that may set expense allowances for members of certain boards and agencies; amending Minnesota Statutes 1976, Section 375.47, 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:

Anderson	Frederick	Knoll	Ogdahl	Solon
Ashbach	Gearly	Knutson	Olhoff	Spear
Bang	Gunderson	Laufenburger	Olson	Staples
Benedict	Hughes	Lessard	Penny	Stokowski
Bernhagen	Humphrey	Lewis	Peterson	Strand
Chenoweth	Jensen	Luther	Pillsbury	Stumpf
Chmielewski	Johnson	McCutcheon	Schaaf	Tennessee
Coleman	Keefe, J.	Menning	Schmitz	Ulland, A.
Davies	Keefe, S.	Merriam	Schrom	Ulland, J.
Dieterich	Kirchner	Moe	Setzepfandt	Vega
Dunn	Kleinbaum	Nelson	Sieloff	Willet
Engler	Knaak	Nichols	Sikorski	

So the bill passed and its title was agreed to.

H. F. No. 1793: A bill for an act relating to Ramsey county; authorizing the county to issue general obligation bonds for the costs of construction of a county nursing home; amending Laws 1974, Chapter 435, by adding a section.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 4, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Kleinbaum	Nichols	Solon
Bang	Frederick	Knaak	Ogdahl	Spear
Benedict	Garty	Knoll	Olhoff	Staples
Bernhagen	Gunderson	Laufenburger	Olson	Stokowski
Borden	Hughes	Lessard	Penny	Strand
Chenoweth	Humphrey	Lewis	Pillsbury	Stumpf
Chmielewski	Jensen	Luther	Schmitz	Ueland, A.
Coleman	Johnson	McCutcheon	Schrom	Ulland, J.
Davies	Keefe, J.	Menning	Setzepfandt	Vega
Dieterich	Keefe, S.	Moe	Sieloff	Willet
Dunn	Kirchner	Nelson	Sikorski	

Messers Knutson, Merriam, Peterson and Tennessen voted in the negative.

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 9:00 a. m., Thursday, March 9, 1978. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

EIGHTY-SEVENTH DAY

St. Paul, Minnesota, Thursday, March 9, 1978

The Senate met at 9:00 o'clock a.m. and was called to order by the President.

CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate. The following Senators answered to their names:

Ashbach	Davies	Kirchner	Olhoft	Spear
Bang	Dieterich	Kleinbaum	Olson	Staples
Benedict	Dunn	Lewis	Perpich	Stokowski
Bernhagen	Engler	Luther	Pillsbury	Strand
Borden	Frederick	McCutcheon	Purfeerst	Stumpf
Brataas	Gearty	Menning	Schmitz	Ulland, J.
Chmielewski	Johnson	Nelson	Sieloff	Wegener
Coleman	Keefe, S.	Nichols	Sikorski	Willet

The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Winfield Johnson.

The roll was called, and the following Senators answered to their names:

Anderson	Frederick	Knutson	Penny	Spear
Ashbach	Gearty	Laufenburger	Perpich	Staples
Bang	Gunderson	Lessard	Peterson	Stokowski
Benedict	Hanson	Lewis	Pillsbury	Strand
Bernhagen	Hughes	Luther	Purfeerst	Stumpf
Borden	Humphrey	McCutcheon	Renneke	Tennessee
Brataas	Jensen	Menning	Schaaf	Ulland, A.
Chenoweth	Johnson	Merriam	Schmitz	Ulland, J.
Chmielewski	Keefe, J.	Moe	Schrom	Vega
Coleman	Keefe, S.	Nelson	Setzpfandt	Wegener
Davies	Kirchner	Nichols	Sieloff	Willet
Dieterich	Kleinbaum	Ogdahl	Sikorski	
Dunn	Knaak	Olhoft	Sillers	
Engler	Knoll	Olson	Solon	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the

following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1699: A bill for an act relating to the town of Little Falls; allowing the town to contract for the lighting of town roads; allowing reimbursement for electrical service costs; providing for special assessments.

Senate File No. 1699 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 8, 1978

CONCURRENCE AND REPASSAGE

Mr. Wegener moved that the Senate concur in the amendments by the House to S. F. No. 1699 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1699: A bill for an act relating to the towns of Little Falls and Belle Prairie in Morrison County; allowing the town to contract for the lighting of town roads; allowing reimbursement for electrical service costs; providing for special assessments.

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 49 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knaak	Penny	Spear
Ashbach	Frederick	Laufenburger	Perpich	Staples
Bang	Gearty	Lessard	Peterson	Stokowski
Benedict	Gunderson	Lewis	Pillsbury	Strand
Bernhagen	Hanson	Luther	Purfeerst	Stumpf
Brataas	Johnson	McCutcheon	Renneke	Ulland, J.
Chmielewski	Keefe, J.	Menning	Schmitz	Vega
Coleman	Keefe, S.	Nelson	Setzepfandt	Wegener
Davies	Kirchner	Nichols	Sieloff	Willet
Dunn	Kleinbaum	Olhoft	Sillers	

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. 1605, 2274 and 2466.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 8, 1978

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 1009, 1994, 2432 and 2429.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted March 8, 1978

FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H. F. No. 1605: A bill for an act relating to motor vehicles, registration dates, display of plates or insignia; amending Minnesota Statutes 1976, Sections 168.09, Subdivisions 2 and 3; and 168.31, Subdivision 1.

Referred to the Committee on Transportation.

H. F. No. 2274: A bill for an act relating to veterans; providing for appeals from removals and disciplinary actions; amending Minnesota Statutes 1976, Sections 43.24, Subdivision 1; and 197.481, Subdivision 1.

Referred to the Committee on Governmental Operations.

H. F. No. 2466: A bill for an act relating to privacy of data on individuals; definitions, determination and emergency classification; amending Minnesota Statutes, 1977 Supplement, Sections 15.162, Subdivision 2a; and 15.1642, Subdivisions 3 and 5; repealing Minnesota Statutes, 1977 Supplement, Section 15.1642, Subdivision 4.

Referred to the Committee on Judiciary.

H. F. No. 1009: A bill for an act relating to economic development; changing certain requirements for loan eligibility through the Minnesota area redevelopment administration; amending Minnesota Statutes 1976, Section 472.11, by adding subdivisions.

Referred to the Committee on Commerce.

H. F. No. 1994: A bill for an act relating to insurance; changing certain abstracting and publishing requirements for annual statements; exempting certain assessments from retaliatory provisions; clarifying application of certain benefit requirements for handicapped children under group hospital or medical expense insurance policies; amending Minnesota Statutes 1976, Sections 60A.13, Subdivision 7; 60A.14, Subdivision 1; 60A.19, Subdivision 6; 62A.14, Subdivision 2; and 62A.151; repealing Minnesota Statutes 1976, Section 60A.13, Subdivisions 3 and 4.

Referred to the Committee on Commerce.

H. F. No. 2432: A bill for an act relating to Washington county; providing for the appointment and compensation of probation officers.

Referred to the Committee on Judiciary.

H. F. No. 2429: A bill for an act relating to the cities of Mankato and North Mankato; prohibiting regulation of the rates of the public transit system by the public service commission.

Referred to the Committee on Transportation.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted, with the exception of reports pertaining to appointments. The motion prevailed.

Mr. Gearty from the Committee on Elections, to which was referred

S. F. No. 1874: A bill for an act relating to education; school districts; separate election districts; changing the requirements for petitions for division into and changing boundaries of special election districts; amending Minnesota Statutes 1976, Section 123.32, Subdivisions 10 and 15.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 16, strike "*the greater of*"

Page 1, line 18, after "*election*" insert "*, whichever is greater*"

Page 1, line 22, strike "*Only one election*"

Page 1, line 22, after "*period*" insert "*only one election*"

Page 2, line 11, strike "*the greater of*"

Page 2, line 14, before the period insert "*, whichever is greater*"

Page 2, line 16, after the first "*held*" insert "*pursuant to this subdivision*"

Page 2, line 17, strike "*of this section*"

Page 2, after line 17, insert

"Sec. 3. [EFFECTIVE DATE.] *This act is effective the day after final enactment.*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. McCutcheon from the Committee on Taxes and Tax Laws, to which was re-referred

S. F. No. 1628: A bill for an act relating to taxation; property

tax; providing for delay in increased valuation on certain rehabilitation projects.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 10, after "in" insert "the assessed"

Page 1, line 10, after "valuation" insert "of a building"

Page 1, line 11, strike "a" and insert "the"

Page 1, line 12, strike "meeting the criteria set forth in subdivision 2"

Page 1, line 14, after "rehabilitation" insert "if the building meets the criteria set forth in subdivision 2"

Page 1, line 15, strike "at the same"

Page 1, line 16, strike "level" and after "as" insert "are"

Page 2, line 1, after "the" insert "anticipated"

Page 2, line 3, strike "40" and insert "60"

Page 2, line 4, strike "assessor's total" and insert "estimated", and after "building" insert "at the time when the application is made"

Page 2, line 6, strike "and"

Page 2, line 7, strike "provided, that a" and insert "(e) the" and after "building" insert "is not"

Page 2, line 9, strike "shall not"

Page 2, line 10, strike "qualify for this treatment" and insert "; (f) the property is not classified pursuant to Minnesota Statutes, Section 273.13, Subdivisions 17, 17a or 17b; and (g) not more than 25 percent of the residential units in the building are subsidized through section 8 of the U.S. Housing Act of 1937, 42 USC 1437 (f) "

Page 2, line 11, strike "This section does not prohibit increases" and insert "Any increase"

Page 2, line 12, strike "valuation" and insert "value"

Page 2, line 13, strike "if the increased valuation" and insert "which"

Page 2, line 17, after "approval" insert "shall be added to the assessed valuation of the building"

Page 2, strike lines 18 to 22

Renumber the remaining subdivision

Page 3, line 6, after "thereafter" insert ", and shall expire for taxes levied in 1983, payable in 1984 and thereafter; provided that, any project approved prior to expiration of this section shall

continue to receive treatment pursuant to subdivision 1 until the end of the fifth year following the rehabilitation year”

And when so amended the bill do pass. Amendments adopted.
Report adopted.

Mr. McCutcheon from the Committee on Taxes and Tax Laws, to which was re-referred

S. F. No. 1721: A bill for an act relating to county agricultural societies; providing for tort liability of county agricultural societies; authorizing county boards to levy a tax to pay certain judgments or liability insurance premiums; amending Minnesota Statutes 1976, Sections 38.27, by adding a subdivision; 466.01, Subdivision 1; and Chapter 38, by adding a section.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 5, after “*subdivision*” insert “*for payment of judgments*”

Page 2, line 7, after the period insert “*A tax levied under this subdivision for payment of premium costs of liability insurance shall not be a special levy as defined in section 275.50, subdivision 5, and shall be subject to the levy limitation provided in sections 275.51 and 275.52.*”

And when so amended the bill do pass. Amendments adopted.
Report adopted.

Mr. McCutcheon from the Committee on Taxes and Tax Laws, to which was referred

S. F. No. 1930: A bill for an act relating to taxation; providing that all orders relating to valuation of property for ad valorem taxes be issued on or before November 15; classifying assessors' field cards as private data; authorizing the commissioner of revenue to provide new income tax tables; defining the deduction for tuition and transportation expense in computing income tax; providing a seven year carryforward for farm losses; limiting the deduction for charitable contributions; authorizing the commissioner to require a copy of computations used to compute federal income tax; allowing spouses to file combined returns even if one is a nonresident; requiring employers to file a withholding application; providing property tax relief benefits for persons becoming disabled before June 1; defining the acreage eligible for homestead exemption for inheritance tax purposes; changing gift tax rates and credits for certain donees; changing interest rates on certain gift tax refunds; altering classification of alcoholic beverages for tax purposes; requiring the revisor of statutes to recodify certain functions transferred to the department of public service; eliminating inheritance tax receipts; repealing the deduction for alimony; amending Minnesota Statutes 1976, Sections 270.12, Subdivision 3; 290.09, Subdivision 22; 290.37, Subdivision 3; 290.39, Subdivision 2; 290.92, by adding a subdivision;

290A.04, Subdivision 1; 291.05; 292.07, Subdivisions 3 and 5; 292.125; 340.47, Subdivision 1; and Chapter 272, by adding a section; and Minnesota Statutes, 1977 Supplement, Sections 290.06, Subdivision 2c; 290.09, Subdivisions 15 and 29; 290.21, Subdivision 3; 340.47, Subdivision 1a; repealing Minnesota Statutes 1976, Section 291.13, Subdivision 2; and Minnesota Statutes, 1977 Supplement, Section 290.09, Subdivision 14.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 3 to 5, strike sections 3 and 4 and insert:

"Sec. 3. Minnesota Statutes 1976, Section 290.39, is amended by adding a subdivision to read:

"Subd. 1a. [TAX TABLES.] Notwithstanding any other provision of chapter 290 to the contrary, the commissioner may, in his discretion, prepare tables for computing the tax for individuals, estates, and trusts which may reflect the allowance of personal and dependent credits or which may reflect the allowance of the standard deduction and the personal and dependent credits."

Pages 6 to 11, strike sections 6 and 7

Page 13, line 19, strike "before" and insert "no later than one week after"

Page 13, line 31, strike "be" and insert "is"

Page 14, after line 22, insert:

"Sec. 9. Minnesota Statutes, 1977 Supplement, Section 290A.04, Subdivision 2b, is amended to read:

Subd. 2b. An additional refund shall be allowed each claimant who is disabled or has attained the age of 65 by June 1 of the year in which the taxes were payable in an amount equal to 50 percent of the amount by which property taxes payable or rent constituting property taxes exceed the sum of (a) the refund calculated pursuant to subdivision 2 and (b) the percentage of the claimant's household income specified in subdivision 2. The sum of the refunds provided in subdivision 2 and this subdivision shall not exceed the maximum amounts provided below.

For claimants earning:

\$ 0 to 19,999, up to \$800;

20,000 to 22,999, up to \$800;

23,000 to 25,999, up to \$763;

26,000 to 35,999, up to \$725;

36,000 and over, up to \$525;

provided that maximum refunds for incomes above \$20,000 decline according to the following schedule:

between \$20,000 and \$26,000 decline \$12.50 per \$1,000; between \$26,000 and \$36,000 decline \$20 per \$1,000.

In the case of a claimant who was disabled on or before June 1 or who attained the age of 65 on the date specified in subdivision 1, the refund shall not be less than the refund which the claimant's household income as defined in section 290A.03 and property tax or rent constituting property tax would have entitled him to receive under Minnesota Statutes 1974, Section 290.0618."

Page 21, line 25, strike "fortified"

Page 22, line 28, strike "fortified"

Page 23, strike section 18

Page 23, line 22, strike "8, 18" and insert "5"

Page 23, line 22, strike "20" and insert "17"

Page 23, line 24, strike "to 7, 9" and insert "4, 6"

Page 23, line 24, strike "19" and insert "16"

Page 23, line 25, strike "10" and insert "7"

Page 23, line 25, strike "15" and insert "13"

Page 23, line 26, strike "Section 11 is" and insert "Sections 8 and 9 are"

Page 23, line 28, after "years" insert "; provided that, if a refund has been paid prior to January 1, 1978, in accordance with the provisions of section 11, to the survivor of a disabled claimant who died prior to June 1 of the year of the claim, no refund of the excess amount paid in accordance with that section shall be required by the commissioner of revenue. A claimant who would qualify for a credit pursuant to the provisions of section 11 which is greater than that which he has received pursuant to Minnesota Statutes, 1976, Section 290A.04, Subdivision 1, may file with the department of revenue a claim for an additional refund in the amount of the excess. Claims made pursuant to this provision shall not be subject to the penalties provided in Minnesota Statutes, Section 290A.06, if filed before December 31, 1978"

Page 23, line 28, strike "12" and insert "10"

Page 23, line 30, strike "13" and insert "11"

Page 23, line 30, strike "14" and insert "12"

Page 23, line 31, strike "16" and insert "14"

Page 23, line 31, strike "17" and insert "15"

Page 23, line 31, strike "January" and insert "July"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 9, strike "providing a seven year"

Page 1, strike lines 10 and 11

Page 1, line 23, strike "requiring the revisor"

Page 1, strike lines 24 and 25

Page 1, line 30, after "Subdivision 2" insert ", and by adding a subdivision"

Page 1, line 35, strike "290.06, Subdivision 2c; 290.09,"

Page 1, strike line 36 and insert "290A.04, Subdivision 2b;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 1654: A bill for an act relating to retirement; miscellaneous amendments to the public employees retirement law; amending Minnesota Statutes 1976, Sections 353.01, Subdivisions 12, 16, and 20; 353.017, Subdivision 2; 353.30, by adding a subdivision; 353.32, Subdivisions 5 and 9; 353.33, Subdivision 11; 353.34, Subdivision 6; 353.656, Subdivision 6; 356.32, Subdivision 1; Minnesota Statutes, 1977 Supplement, Sections 353.01, Subdivision 2b; and 353.36, Subdivision 2; repealing Minnesota Statutes, 1977 Supplement, Section 353.32, Subdivision 7.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, after line 24, insert "*(q) Town, City or county assessors elected or appointed pursuant to chapter 273 who do not receive compensation in excess of \$250 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,*"

Page 6, line 7, strike "DEPENDENT" and insert "SURVIVING"

Page 6, line 7, strike "Dependent" and insert "Surviving"

Page 6, line 16, after "board" insert "*before July 1, 1978 or*"

Page 6, after line 18, insert:

"Sec. 6. Minnesota Statutes, 1977 Supplement, Section 353.03, Subdivision 1, is amended to read:

353.03 [BOARD OF TRUSTEES.] Subdivision 1. [MANAGEMENT; COMPOSITION; ELECTION.] The management of the public employees retirement fund is hereby vested in a board of trustees consisting of 15 members, who shall be known as the board of trustees. This board shall consist of *three four* trustees, one of whom shall be designated by each of the following associations or organizations, Minnesota school boards association, League of Minnesota Cities, and Association of Minnesota Counties and the executive committee of the statewide general labor organization which includes among its membership the

employee organizations, as defined in section 179.63, subdivision 5, which represent the largest number of employees who are association members; nine area trustees, who shall be elected from the membership employed in one of the areas described below by the members employed in such area except members of the police and fire fund; one trustee who shall be a retired annuitant elected at large by other annuitants; and one trustee who is a member of the police and fire fund elected at large by the membership of the police and fire fund. The remaining trustee shall be elected prior to January 1 by the governing bodies of employee organizations, as defined in section 170.63, subdivision 5, representing association employees; provided that in making the election each employee organization shall have one vote for each association employee it represents. The respective governing bodies shall implement and administer a system for the election of this member and the filling of vacancies, and any dispute in the election process shall be resolved by the secretary of state. Elected trustees shall hold office for a term of four years. For seven days beginning December 1 of each year, the association shall accept at its office filings in person or by mail of candidates for the board of trustees. An area candidate shall submit at the time of filing a nominating petition signed by 25 or more members of the fund from the area of the candidate, a retired annuitant candidate, a nominating petition signed by 25 or more such annuitants, and a police and fire fund candidate, a nominating petition signed by 25 or more members of such fund. No nominee may withdraw his name from nomination after December 15. By January 10 of each year in which elections are to be held the board shall distribute by mail to the members and annuitants ballots listing the candidates. No member may vote for more than one candidate but a blank line shall be provided for a write in vote. A ballot indicating a vote for more than one person shall be void. No special marking may be used on the ballot to indicate incumbents. The last day for mailing ballots to the fund shall be January 31. Except as provided in this section, all terms expire on January 31 of the fourth year, and the position shall remain vacant until the newly elected member is qualified. The ballot envelopes shall be so designed and the ballots shall be counted in such a manner as to insure that each vote is secret. For the purpose of electing the nine area trustees, the state shall be divided into three areas as follows: Area one shall include Anoka, Hennepin, Ramsey and Washington counties. Area two shall include Big Stone, Swift, Kandiyohi, Meeker and Wright counties and all counties south thereof, except counties in area one. Area three shall include all the remaining counties of the state. If any governmental unit is located in more than one area, place of employment shall be deemed to be in the area in which the main office of the governmental unit is located. Each year for three years one area trustee shall be elected to a four-year term from each area by the members employed in the respective areas. In the fourth year one trustee shall be elected at large by the police and fire fund membership and one trustee elected at large by the annuitants.

Notwithstanding the foregoing, however, in order to provide

for a transition to regional elections, in the year 1978 only, a retired trustee shall be elected by the annuitants, and three trustees shall be elected from each of the three areas by the members of the area who may vote for only one candidate. The annuitant candidate receiving the most votes shall serve a three-year term, the candidate in each area receiving the largest number of votes shall serve a four-year term, the candidate in each area receiving the second largest number of votes shall serve a two-year term and the candidate in each area receiving the third largest number of votes shall serve a one-year term. The elections shall be supervised by the secretary of state. It shall be the duty of the board of trustees to faithfully administer the law without prejudice and consistent with the expressed intent of the legislature. They shall act as trustees with a fiduciary obligation to the state of Minnesota which created the fund, the taxpayers of the governmental subdivisions which aid in financing it and the public employees who are its beneficiaries.

Sec. 7. Minnesota Statutes 1976, Section 353.30, Subdivision 1b, is amended to read:

Subd. 1b. Any person with 30 years or more of allowable service credit who elects early retirement under subdivision 1, shall receive an annuity reduced by one half fourth of one percent for each month that such person is under age 62 at the time of retirement."

Page 6, after line 28, insert:

"Sec. 9. Minnesota Statutes 1976, Section 353.31, Subdivision 1, is amended to read:

353.31 [SURVIVOR BENEFITS.] Subdivision 1. [BENEFITS FOR SURVIVING SPOUSE AND DEPENDENT CHILDREN; BEFORE RETIREMENT.] Upon the death of a "basic member" before retirement or upon the death of a "basic member" who was disabled and receiving disability benefits pursuant to section 353.33 at the time of his death who has had at least 18 months of credited allowable service, his surviving dependent spouse and dependent children, as defined in section 353.01, subdivisions 15 and 20, shall receive the monthly benefit provided below:

- (a) Surviving dependent spouse 30 percent of the member's monthly average salary in effect over the last full six months of allowable service preceding death
- (b) Each dependent child 10 percent of the member's monthly average salary in effect over the last full six months of allowable service preceding death

Payments for the benefit of any dependent child, as defined in section 353.01, subdivision 15, shall be made to the surviving parent, or if there be none, to the legal guardian of such child. The maximum monthly benefit for any one family shall not exceed \$450, and the minimum benefit per family shall not be

less than 30 percent of the "basic member's" said average salary, subject to the aforementioned maximum. The surviving dependent spouse benefit shall terminate upon his or her remarriage, and the dependent children's benefit shall be reduced pro tanto when any child is no longer dependent.

Any survivor of a "basic member" whose average salary was less than \$75 per month shall not be entitled to the benefits provided in this subdivision.

Under the terms of this subdivision there are no survivor benefits, as such, payable to the surviving spouse or dependent children of any deceased "coordinated member."

Page 9, line 14, delete the new language

Page 9, line 15, strike "percent" and insert "*the applicable percentage*"

Page 9, line 15, delete the new language

Page 9, line 16, delete the new language

Page 9, line 18, delete "*for the "coordinated member"*" and after the period insert "*If the person is a basic member, the applicable percentage is eight percent, and if the person is a coordinated member, the applicable percentage is four percent.*"

Page 10, after line 8, insert:

"Sec. 16. Minnesota Statutes 1976, Section 353.657, Subdivision 1, is amended to read:

353.657 [SURVIVOR BENEFITS.] Subdivision 1. In the event any member of the police and fire fund shall die from any cause, the association shall grant survivor benefits to any dependent *surviving* spouse who was residing with him at the time of his death and who was married to him for a period of at least one year, and to a dependent child or children, unmarried and under the age of 18 years. The spouse and child or children shall be entitled to monthly benefits as provided in the following subdivisions.

Sec. 17. Minnesota Statutes 1976, Section 354.41, Subdivision 6, is amended as follows:

Subd. 6. Any such former member who elects membership in the fund as authorized by subdivision 4 shall be eligible to make payment for service which was rendered prior to July 1, 1975 in any of the organizations enumerated in subdivision 4, provided the organization makes satisfactory certification of such service as prescribed in section 354.05, subdivision 28. This payment shall be limited to the most recent five years of allowable service credit and shall include all required employee and employer contributions as provided in section 354.42, subdivisions 2, 3 and 5 *at the rates in effect when the service was rendered*. Interest shall be paid on both the employee and employer contributions at the rate of six percent per annum compounded annually from the end of the

fiscal year during which such service was rendered to the date of payment. *The employer may pay the required employer contributions as provided in section 354.42, subdivisions 3 and 5 plus interest at the specified rate.* The payment described herein must be made in one lump sum prior to July 1, 1980 or prior to retirement, whichever is earlier. *No allowable or formula service with respect to such payment shall be credited to the employee's account until payment is received by the executive director.*

Sec. 18. Minnesota Statutes 1976, Section 354.41, is amended by adding a subdivision to read:

"Subd. 8. Any member who has been employed by an organization designated in subdivision 4 may receive up to five years of allowable service credit in the fund by making payment for such service under the conditions prescribed by subdivision 6."

Page 10, line 30, after "15." insert "*Sections 5 and 6 shall be effective the day following enactment. The balance of*"

Page 10, line 30, after "1978." insert "*Any person who was a member pursuant to section 353.01, subdivision 16, clause (3) prior to the election authorized by section 5 and was a basic member shall remain a basic member notwithstanding the contrary provisions of section 353.017, subdivision 1."*

Renumber the sections in sequence.

Amend the title as follows:

Page 1, line 6, after "353.30," insert "Subdivision 1b, and"

Page 1, line 6, after "subdivision;" and before "353.32," insert "353.31, Subdivision 1;"

Page 1, line 8, after the second "Subdivision 6;" insert "353.657, Subdivision 1; 354.41, Subdivision 6, and by adding a subdivision;"

Page 1, line 10, after "2b;" insert "353.03, Subdivision 1;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 1876: A bill for an act relating to state government; providing for classifying certain persons as state employees; amending Minnesota Statutes, 1977 Supplement, Section 268.013, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 8, strike "Minnesota Statutes, 1977 Supplement,"

Page 1, strike line 9

Page 1, line 10, strike "*Subd. 7.*"

Page 1, line 18, strike "*without competitive*" and insert "after receiving a passing score on an"

Page 1, line 18, after "*examination*" insert "appropriate for the position."

Page 1, line 19, strike "*and*" and insert "Persons passing the examination"

Page 2, line 5, strike "*the day*" and insert "July 1, 1978."

Page 2, strike line 6

Remove underlining from the bill

Further, amend the title as follows:

Page 1, line 3, strike "persons" and insert "CETA employees"

Page 1, line 3, strike the semicolon and insert a period

Page 1, strike lines 4 and 5

And when so amended the bill do pass. Amendments adopted.
Report adopted.

Mr. Gearty from the Committee on Elections, to which was referred

S. F. No. 2230: A bill for an act relating to elections; authorizing the designation of more than one polling place in a precinct; making necessary changes in terminology; amending Minnesota Statutes 1976, Sections 3.21; 200.02, Subdivision 23; 201.11; 203A.11, Subdivision 2; 203A.18, Subdivision 2; 203A.33, Subdivision 1; 204A.09, Subdivision 1, and by adding a subdivision; 204A.13, Subdivision 3; 204A.14, Subdivision 2; 204A.15; 204A.16, Subdivision 1; 204A.17 by adding a subdivision; 204A.18, Subdivisions 1 and 2; 204A.19; 204A.20; 204A.38, Subdivisions 1, 2 and 3; 204A.45, Subdivision 1; 204A.46, Subdivisions 1, 2, 3 and 5; 204A.47; 204A.48; 204A.55; 205.17, Subdivision 5; 206.026, Subdivisions 2 and 4; 206.07, Subdivision 2; 206.18; 206.185, Subdivisions 1, 4 and 5; 206.19, Subdivision 3; 206.20, Subdivision 5; 206.21, Subdivisions 1 and 2; 207.06; 207.08; 207.09; 207.221; 207.26; 207.30, Subdivision 3; and 340.20; and Minnesota Statutes, 1977 Supplement, Sections 201.061, Subdivision 6; 207.02; 207.10; 207.101; and 207.11, Subdivisions 1 and 6.

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes, 1977 Supplement, Section 204A.06, Subdivision 1, is amended to read:

204A.06 [ELECTION PRECINCTS.] Subdivision 1. [BOUNDARIES.] Each town, each statutory city that is separated from the town for election purposes, and each city ward, shall constitute at least one election precinct. The council of each municipality shall prescribe the boundaries of the precincts and the number of voters therein, and may rearrange the precincts from time to time, except that no changes in precinct boundaries may be made during the period beginning January 1 in any year ending in seven and end-

ing January 1 in any year ending in two. If during the period beginning January 1 of a year ending in seven and ending January 1 of a year ending in two a municipality annexes an unincorporated area located in the same county as the municipality and adjacent to the corporate boundary, the annexed area may be included in the precinct immediately adjacent to it. *During the period beginning January 1 in a year ending in seven and ending January 1 in a year ending in two, a municipality may establish new precincts lying entirely within any existing precinct for which the boundaries were established before that period; provided that: (a) the outer boundaries of the existing precinct are not altered and (b) the new precincts established within the existing precinct are assigned names that include the name of the existing precinct.*”

Sec. 2. [EFFECTIVE DATE.] *This act is effective the day after final enactment.*”

Strike the title in its entirety and insert:

“A bill for an act relating to elections; permitting the formation of new precincts under certain conditions; amending Minnesota Statutes, 1977 Supplement, Section 204A.06, Subdivision 1.”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 2297: A bill for an act relating to retirement; elected state officers plan; providing increased retirement benefits for constitutional officers and certain commissioners; appropriating money; amending Minnesota Statutes 1976, Sections 352C.01; 352C.04, Subdivisions 1 and 2a, and by adding a subdivision; 352C.09, Subdivisions 1 and 2; 352C.091, by adding subdivisions; and Chapter 352C, by adding sections; repealing Minnesota Statutes 1976, Sections 352C.02; 352C.03; 352C.04, Subdivision 3; 352C.05; 352C.06; and 352C.08.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Mr. Laufenburger from the Committee on Employment, to which was referred

H. F. No. 1773: A bill for an act relating to unemployment compensation; providing limited benefits to certain employees; amending Minnesota Statutes, 1977 Supplement, Section 268.09, Subdivision 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Laufenburger from the Committee on Employment, to which was referred

H. F. No. 2372: A bill for an act relating to public employee labor relations; including physical therapists and occupational therapists in the definition of "teacher"; amending Minnesota Statutes 1976, Section 179.63, Subdivision 13.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Tennessen from the Committee on Commerce, to which was referred

H. F. No. 2003: A bill for an act relating to reporting requirements for products liability claims; making various clarifications and technical changes; providing penalties for failure to comply; extending the expiration date; amending Laws 1977, Chapter 316, Section 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 12, strike "*, including any*" and insert "*licensed to write general liability insurance and each*"

Page 1, line 12, after "*insurer*" strike the comma

Page 1, strike lines 13 to 14

Page 1, line 15, strike "*sellers or distributors in this state,*"

Page 1, line 16, strike "*of the product liability*"

Page 1, strike lines 17 to 21

Page 1, line 22, strike "*to June 30, 1977. This report*" and insert "*which*"

Page 1, line 23, after "*information*" insert "*for product liability policies written in Minnesota for the one year period ending December 31 of the previous year*"

Page 1, line 23, after the colon, insert "*the total number of product liability policies issued, the amount of product liability coverage issued,*"

Page 2, line 8, strike "*, including any*" and insert "*licensed to write general liability insurance and each*"

Page 2, line 8, strike "*, providing*"

Page 2, strike lines 9 to 10

Page 2, line 11, strike "*or distributors in this state*"

Page 2, line 14, strike "*, provided, however, that information for*"

Page 2, line 15, strike everything before the colon

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

H. F. No. 1826: A bill for an act relating to public welfare; providing compensation to residents of state institutions; accepting volunteer services; authorizing rule promulgation for child cost of care; authorizing ward institutional placement for respite care; concerning the discharge of a committed patient; providing for a hospital program plan; concerning local welfare hearing; regarding child support; amending Minnesota Statutes 1976, Sections 246.36; 252A.11, Subdivision 3; 253A.15, Subdivision 11; 253A.17, Subdivision 9; 256.045, Subdivision 2; Chapter 246, by adding a section; Minnesota Statutes, 1977 Supplement, Sections 252.27, Subdivision 2; 256.79; 256.873.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 11, strike "*These*" and insert "*The*"

Page 2, line 14, strike "*These*" and insert "*The*"

Page 2, lines 15 and 16, strike "*performing the voluntary services*"

Page 6, lines 23 and 24, strike the new language and reinstate the old language

Page 6, line 23, after "change" insert "*because application for assistance is not made prior to initial placement or*"

Page 7, after line 9, insert:

"Sec. 10. Minnesota Statutes 1976, Section 256B.02, Subdivision 8, is amended to read:

Subd. 8. "Medical assistance" or "medical care" means payment of part or all of the cost of the following care and services for eligible individuals whose income and resources are insufficient to meet all of such cost:

- (1) Inpatient hospital services.
- (2) Skilled nursing home services.
- (3) Physicians' services.
- (4) Outpatient hospital or clinic services.
- (5) Home health care services.
- (6) Private duty nursing services.
- (7) Physical therapy and related services.
- (8) Dental services.
- (9) Laboratory and x-ray services.
- (10) The following if prescribed by a licensed practitioner: drugs, eyeglasses, dentures, and prosthetic devices.

(11) Diagnostic, screening, and preventive services.

(12) Health care pre-payment plan premiums and insurance premiums if paid directly to a vendor and supplementary medical insurance benefits under Title XVIII of the Social Security Act.

(13) Transportation costs incurred solely for obtaining *emergency medical care or transportation costs incurred by non-ambulatory persons in obtaining emergency or non-emergency medical care* when paid directly to an ambulance company, common carrier, or other recognized providers of transportation services.

(14) *To the extent authorized by rule of the state agency, costs of bus or taxicab transportation incurred by any ambulatory eligible person for obtaining non-emergency medical care.*

~~(14)~~ (15) Any other medical or remedial care licensed and recognized under state law.

Sec. 11. Minnesota Statutes, 1977 Supplement, Section 256B.04, Subdivision 12, is amended to read:

Subd. 12. Place limits on the types of services covered by medical assistance, the frequency with which the same or similar services may be covered by medical assistance for an individual recipient, and the amount paid for each covered service. *The state agency shall promulgate rules, including temporary rules, establishing maximum reimbursement rates for emergency and non-emergency ambulance transportation.*

Sec. 12. Minnesota Statutes 1976, Section 256B.041, Subdivision 6, is amended to read:

Subd. 6. The commissioners of public welfare and administration may contract with any agency of government or any corporation for providing all or a portion of the services for carrying out the provisions of this section. *Local welfare agencies may pay vendors of transportation for non-emergency medical care when so authorized by rule of the commissioner of public welfare.*

Sec. 13. *The commissioner of public welfare may issue temporary rules to implement sections 10 and 12.*

Sec. 14. *This act is effective on the day following final enactment.*"

Amend the title as follows:

Page 1, line 9, after "support;" insert "modifying reimbursement for transportation for medical assistance;"

Page 1, line 12, after "2;" insert "256B.02, Subdivision 8; 256B.041, Subdivision 6;"

Page 1, line 15, before the period insert " ; and 256B.04, Subdivision 12"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1884: A bill for an act relating to Koochiching county; authorizing the county law library to be supported by judiciary imposed fee charges.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 16, strike "this act" and insert "sections 1 to 7"

Page 4, line 31, after "assessed" insert "against any person convicted of a petty misdemeanor nor"

Page 4, line 31, strike "where" and insert "in which"

Page 5, line 18, strike "This act is" and insert "Sections 1 to 7 are"

Page 5, after line 17 insert:

"Sec. 8. [PENNINGTON COUNTY LAW LIBRARY; ESTABLISHMENT.] The board of county commissioners of the county of Pennington may by resolution establish a fee system for the county law library for the use of the judges of the district and county courts, all county and municipal officials, the members of the bar and the inhabitants of the county.

Sec. 9. [MANAGEMENT.] The management of any library so established shall be under a board of three law library trustees, the members of which board shall serve without compensation and shall be appointed by the judges of the district and county courts in the county. The board shall first meet immediately after its appointment and shall hold its annual meeting thereafter on the first day of the first regular term of the district court in the county in each year, at which first meeting and at each annual meeting thereafter it shall select from its members a president and a secretary, who shall each hold his office until the following annual meeting. When the board is first appointed there shall be appointed one trustee whose term shall extend until the first annual meeting, one trustee whose term shall extend until the second annual meeting, and one trustee whose term shall extend until the third annual meeting of the board after such appointment. Immediately prior to each annual meeting there shall be appointed a trustee whose term shall commence at the annual meeting and extend until the third annual meeting after the annual meeting he takes his office. Vacancies in office shall be filled for the unexpired term.

Sec. 10. [BOARD OF TRUSTEES TO MAKE BYLAWS.] The board of trustees shall adopt and may from time to time thereafter amend and alter such bylaws, rules and regulations for the conduct of its business, the government of the library and the use thereof as shall be expedient and conformable to law. It may accept on behalf of the county a gift, grant, devise or bequest, or the loan of books or other property for the use or purposes of the library, and carry out the conditions of the donation or loan. It may purchase books or other library facilities upon conditional

sales contract, or otherwise, the purchase price therefor to be paid out of the county law library fund. The title to the library and the property thereof, except the books and property as shall be leased or loaned to it, shall vest and be in the county establishing the library. The board of trustees may sell or exchange items of the property of the library which it deems no longer suitable or advantageous for the purposes of the library, upon terms as it may deem best. It shall, before the second Monday of January of each year, file with the county auditor a report containing a detailed statement of the receipts and disbursements for the preceding year and a detailed inventory of the property belonging to the library and the property loaned or leased to it. The county board shall provide suitable rooms in the court house for the use of the library.

Sec. 11. [FEES FOR EXPENSES.] It shall be the duty of the clerk of the ninth judicial district and the duty of the clerk of court of the county court district of Marshall, Red Lake and Pennington to collect in each civil suit, action or proceeding filed in his court relating to Pennington county, in the manner in which other fees are collected therein, and in addition thereto, as a county law library fee:

(a) The sum of \$3 from the plaintiff or person instituting the suit, action or proceedings at the time of the filing of the first paper therein, and

(b) The sum of \$3 from the defendant or other adverse or intervening party, or any one or more of several defendants or other adverse or intervening parties appearing separately from the others, to be collected when his or their appearance is entered in the action or proceeding or when the first paper on his or their part is filed therein.

The county law library fees shall be costs in the case and taxable as such. The provisions of this section shall not apply to actions or proceedings commenced by the state, the county or any municipality, to garnishment proceedings, to the filing of transcripts, to compensation awards or to complaints in intervention in receivership proceedings.

Sec. 12. [PROBATE FEES.] It shall be the duty of the clerk of court of the county court district of Marshall, Red Lake and Pennington in each proceeding in the county court relating to Pennington county in the matter of the estate of a deceased person looking to the entry of a decree determining the descent of real estate or of a decree or order for distribution of the estate, except in summary administrative procedures for small estates pursuant to Minnesota Statutes, Sections 524.3-1203 or 524.3-1204 or in summary proceedings instituted pursuant to Minnesota Statutes, Section 525.51, to collect, as a county law library fee, the sum of \$3 from the petitioner instituting the proceeding at the time of the filing of the first petition therein. The disbursement shall be an item of expense of administration of the estate, entitling the petitioner to reimbursement therefor out of the estate.

Sec. 13. [COSTS AND DISBURSEMENTS TO INCLUDE LIBRARY FEE.] In Pennington county there shall be included

in the costs or disbursements assessed against the defendant convicted in the district court or county court of the violation of any statute or municipal ordinance, in all criminal prosecutions in which, upon conviction, the defendant may now or hereafter be subject to the payment of the costs or disbursements of the prosecution in addition to a fine or other penalty, the sum of \$3, as a county law library fee. Upon the payment of the costs or disbursements it shall be the duty of the clerk of the district court and the clerk of the county court, in whose court the costs or disbursements are collected or paid, to report and remit the library fee at the time and in the manner specified in section 15. Provided, the item of costs or disbursements may not be assessed for any offense committed prior to the establishment of the county law library, and, provided further, that the item of costs or disbursements may not be assessed against any person convicted of a petty misdemeanor nor in any criminal case in which the fine assessed is \$10 or less.

Sec. 14. [FEES TO BE ALLOTTED TO LAW LIBRARY.] All county law library fees shall be allotted for the acquisition and maintenance of the law library. The clerk of the district court and the clerk of the county court making collection of the fees shall, prior to the fifth day of each month, make and file a report with the county auditor of all actions, proceedings and prosecutions in which the fees have been collected in his court during the preceding month, and the amount of the fees so collected, and pay the fees to the county treasurer, taking his receipt therefor. The county treasurer shall place all moneys so paid to him and all other moneys paid to him for the uses, benefit or purposes of the library in the county law library fund, and shall be authorized to disburse the moneys upon the order of the board of trustees, to pay the necessary expenses of acquiring, equipping and maintaining the library."

Page 5, line 20, after "645.021" insert "; and expire on July 1, 1980."

Page 5, after line 20, insert:

"Sec. 16. Sections 8 to 14 are effective upon approval by the county board of Pennington county, and upon compliance with Minnesota Statutes, Section 645.021; and expire on July 1, 1980."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, strike "county" and insert "and Pennington counties;"

Page 1, line 3, after "library" insert "in those counties"

Page 1, line 4, after "charges" insert "on civil and certain criminal cases"

And when so amended the bill do pass. Amendments adopted.
Report adopted.

Mr. Tennesen from the Committee on Commerce, to which was referred

H. F. No. 1424: A bill for an act relating to intoxicating liquor; permitting licensing and sale on certain tour boats; amending Minnesota Statutes 1976, Section 340.11, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, lines 15, 17 and 21, strike "*such*" and insert "*the*"

Page 1, line 18, strike "*such*"

Page 2, line 1, strike "*such*" and insert "*liquor*"

Page 2, line 4, strike the first "*such*"

Page 2, line 4, strike the second "*such*" and insert "*liquor*"

Page 2, line 7, strike "*such*" and insert "*the*"

Page 2, lines 10 and 21, strike "*such*"

Page 2, line 19, strike "*such*" and insert "*a*"

Page 2, line 23, strike "\$500" and insert "\$1,000"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred

H. F. No. 1434: A bill for an act relating to natural resources; authorizing the commissioner of natural resources to convey the interests of the state in certain lands in Ottertail county for the purposes of correcting boundary description errors.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred

H. F. No. 1937: A bill for an act relating to pollution control; providing for the receipt and appropriation of certain funds by the pollution control agency; further regulating the transport of sewage sludge; amending Minnesota Statutes 1976, Section 115.06, Subdivision 2; and Minnesota Statutes, 1977 Supplement, Section 169.80, Subdivision 2.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred

H. F. No. 1394: A bill for an act relating to natural resources; directing the governor and the commissioner of natural resources

to continue efforts to enter into certain agreements with the state of Wisconsin to maximize the fishery potential of certain boundary waters; amending Minnesota Statutes 1976, Section 97.48, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Chapter 99, is amended by adding a section to read:

[99.29] [FISH REFUGE; ESTABLISHMENT.] *Subdivision 1. The portion of the Mississippi river downstream from lock and dam No. 3 located at milepost 796.9 above the mouth of the Ohio river, to the downstream end of Diamond island located at milepost 794.8, is hereby designated as a fish refuge subject to the provisions of subdivision 2.*

Subd. 2. No person shall take any fish during the months of March and April of any year upon the fish refuge described in subdivision 1.

Subd. 3. This act shall be effective following conclusion of an agreement between the commissioner of natural resources and the appropriate authority in the state of Wisconsin. The agreement shall provide for creation of a similar fish refuge in Wisconsin waters described in subdivision 1."

Amend the title as follows:

Line 2, strike "directing the"

Strike lines 3 and 4

Line 5, strike "agreements" and insert "establishing a fish refuge after an agreement" and strike "to maximize" and insert a semicolon

Strike line 6

Line 7, strike "Section 97.48" and insert "Chapter 99"

Line 8, strike "subdivision" and insert "section"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred

H. F. No. 2242: A bill for an act relating to Yellow Medicine county; authorizing the expenditure of money by the county board to restore county ditch number nine.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, strike Section 2 and insert:

"Sec. 2. This act is effective upon adoption of a resolution or ordinance by the governing body of the county of Yellow Medicine and compliance with Minnesota Statutes, Section 645.021."

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 1947: A bill for an act relating to retirement; the highway patrolmen's retirement fund; payment of survivor benefits; amending Minnesota Statutes 1976, Section 352B.11, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1976, Section 352B.02, Subdivision 1, is amended to read:

352B.02 [RETIREMENT ASSOCIATION.] Subdivision 1. There is hereby established a highway patrolmen's retirement association, the membership of which shall consist of all persons defined in section 352B.01, subdivision 2. Each member shall pay a sum equal to eight percent of his monthly salary. Such amounts shall be deducted monthly by the department head, who shall cause the total amount of said monthly deductions to be paid to the state treasurer, and shall cause a detailed report of all monthly deductions to be made each month to the secretary of the association. In addition thereto, there shall be paid out of money appropriated for this purpose, monthly, by the department heads, a sum equal to 12 percent of the salary upon which deductions were made, and a sum equal to ~~ten~~ eight percent of the salaries upon which deductions were made for the purpose of amortizing the actuarial deficit of the fund, the same to be credited to the highway patrolmen's retirement fund. All moneys received by said association shall be deposited by the state treasurer in the highway patrolmen's retirement fund. Out of said fund shall be paid the expenses of the association, and the benefits and annuities as hereinafter provided."

Page 4, line 21, strike "*This act*" and insert "*Section 1 shall be effective July 1, 1978. Section 2*"

Page 4, line 24, strike "*this act*" and insert "*section 2*"

Renumber the sections in sequence

Amend the title as follows:

Line 4, strike "Section" and insert "Sections 352B.02, Subdivision 1; and"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Tennesen from the Committee on Commerce, to which was referred

H. F. No. 526: A bill for an act relating to insurance; providing for the procurement of insurance from and the regulation of surplus line insurers and agents; providing for the regulation and imposition of penalties on certain insurance agents; amending Minnesota Statutes 1976, Section 60A.20.

Reports the same back with the recommendation that the bill be amended as follows:

Page 4, line 12, after the semicolon insert "and"

Page 4, lines 15 to 20, strike the new language

Page 4, line 21, strike "(4)"

Page 5, strike lines 11 to 13

Page 7, line 7, strike "unauthorized"

Page 7, line 7, strike "insurer" and insert "agent"

Page 7, line 7, strike "write" and insert "procure"

Page 7, line 8, strike "in this state unless it" and insert "contracts from any unauthorized surplus line insurer unless the insurer"

Page 8, after line 2, insert:

"Unincorporated individual alien insurers shall, in lieu of the foregoing trust fund requirement, maintain in a bank that is a member of the Federal Reserve System assets held in trust for all their policyholders and beneficiaries in the United States of not less than \$50 million in aggregate."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred the following appointment as reported in the Journal for January 17, 1978:

STATE BOARD FOR COMMUNITY COLLEGES

Elna Ponto

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Hughes from the Committee on Education, to which was referred the following appointment as reported in the Journal for March 2, 1978:

STATE BOARD FOR COMMUNITY COLLEGES

Thomas D. Peacock

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Hughes from the Committee on Education, to which was referred the following appointment as reported in the Journal for January 19, 1978:

STATE UNIVERSITY BOARD

Marian Keith

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Hughes from the Committee on Education, to which were referred the following appointments as reported in the Journal for February 2, 1978:

COUNCIL ON QUALITY EDUCATION

Jan Storms

STATE BOARD OF EDUCATION

Louise R. Smerling

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Hughes from the Committee on Education, to which was referred the following appointment as reported in the Journal for February 20, 1978:

COUNCIL ON QUALITY EDUCATION

Nancy Belbas

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Gearty from the Committee on Elections, to which was referred the following appointment as reported in the Journal of March 1, 1978:

ETHICAL PRACTICES BOARD

Patrick Flanders

Reports the same back with the recommendation that the appointment not be confirmed.

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Gearty from the Committee on Elections, to which were referred the following appointments as reported in the Journal for March 1, 1978:

ETHICAL PRACTICES BOARD

Vernon Jensen

Richard Temple

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Coleman from the Committee on Rules and Administration, to which were referred H. F. Nos. 2419, 2005, 2096, 2176 for comparison with companion Senate Files, reports the following House Files were found identical and recommends the House Files be given their second reading and substituted for their companion Senate Files 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.
2419	1952	2005	2287		
2096	1968				
2176	2023				

and that the above Senate Files be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which were referred H. F. Nos. 2014, 1851, 2048 for comparison with companion Senate Files, reports the following House Files were found not identical with their companion Senate Files 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.
2014	2015				
1851	1957				
2048	2037				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2014 be amended as follows:

Page 1, line 9, delete "with the approval of the"

Page 1, line 10, delete "Executive Council"

Page 1, line 11, delete ", historical"

Page 1, line 19, after the period insert "Prior to execution of the lease, the commissioner shall submit the proposed lease to the legislative commission on Minnesota resources for review and comment."

Page 2, line 1, delete "with the"

Page 2, line 2, delete "approval of the Executive Council"

Page 2, line 4, delete "an" and insert "a combination" and after "on-sale" insert "and off-sale"

And when so amended H. F. No. 2014 will be identical to S. F. No. 2015, and further recommends that H. F. No. 2014 be given its second reading and substituted for S. F. No. 2015, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1851 be amended as follows:

Page 1, line 13, delete "*but not more than 11*"

And when so amended H. F. No. 1851 will be identical to S. F. No. 1957, and further recommends that H. F. No. 1851 be given its second reading and substituted for S. F. No. 1957, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2048 be amended as follows:

Amend the title in line 2 after the semicolon by inserting "changing the" and after "of" insert "the"

And when so amended H. F. No. 2048 will be identical to S. F. No. 2037, and further recommends that H. F. No. 2048 be given its second reading and substituted for S. F. No. 2037, 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.

APPOINTMENTS

Mr. Coleman from the Subcommittee on Committees recommends that the following Senators be and they hereby are appointed as a Conference Committee on:

H. F. No. 1857: Messrs. Schmitz, Sillers and Setzepfandt.

H. F. No. 1191: Messrs. Hanson, McCutcheon, Davies, Stokowski and Frederick.

Mr. Coleman moved that the foregoing appointments be approved. The motion prevailed.

SECOND READING OF SENATE BILLS

S. F. Nos. 1874, 1628, 1721, 1930, 1654, 1876, 2230 and 1947 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. Nos. 2242, 2419, 2096, 2176, 2005, 2014, 1851 and 2048 were read the second time.

H. F. Nos. 1773, 2372, 2003, 1826, 1424, 1434, 1937, 1394 and 526 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS

Mr. Merriam moved that H. F. No. 2204 be withdrawn from the Committee on Elections and re-referred to the Committee on Rules and Administration for comparison with S. F. No. 1874. The motion prevailed.

Mr. Strand moved that H. F. No. 1859 be withdrawn from the Committee on Governmental Operations and re-referred to the Committee on Rules and Administration for comparison with S. F. No. 1809 now on General Orders. The motion prevailed.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 1594 a Special Order to be heard immediately.

S. F. No. 1594: A bill for an act relating to education; pupils; requiring a school breakfast program in each district.

Mr. Benedict moved to amend S. F. No. 1594 as follows:

Page 1, line 8, after "Each" insert "public elementary, middle and secondary"

Page 1, line 8, strike "district in the state" and insert "which is located in whole or in part within St. Louis county or within the metropolitan area, as defined in section 473.121, subdivision 2,"

Page 1, line 9, strike "September 1" and insert "January 7"

Page 1, line 13, strike "that can demonstrate" and insert "which demonstrates"

Page 1, line 14, strike "incurred by" and insert "attributable to"

Page 1, line 15, strike "income" and insert "potential revenue"

Page 1, line 16, strike "that" and insert "which"

Page 1, line 16, strike "would" and insert "could"

Further, amend the title as follows:

Page 1, line 3, after "district" insert "which is located within St. Louis county or the metropolitan area"

Mr. Keefe, J. moved to amend the Benedict amendment to S. F. No. 1594, as follows:

Line 4, strike "St. Louis County" and insert "the cities of Duluth, Minneapolis, St. Paul,"

Line 4, strike "within the metropolitan area, as"

Strike line 5, and insert "Bloomington"

Further, amend the title as follows:

Strike the Benedict amendment to the title, page 1, line 3, and insert:

Page 1, line 3, after "district" insert "which is located within the cities of Duluth, Minneapolis, St. Paul and Bloomington"

The motion prevailed. So the amendment to the Benedict amendment was adopted.

The question recurred on the Benedict amendment, as amended.

The motion prevailed. So the amendment, as amended, was adopted.

Mr. Merriam moved to amend S. F. No. 1594 as follows:

Page 1, line 6, strike "Subdivision 1. This section may be cited"

Page 1, strike line 7

Strike the Benedict amendments to page 1, line 8

Page 1, line 8, strike "Subd. 2. Each school district in the state" and insert "The commissioner of education"

Page 1, line 9, after "1979," insert "strongly encourage each school district in the state to"

Page 1, line 9, after "participate" insert "on a voluntary basis"

Page 1, strike lines 12 to 16

Further, amend the title as follows:

Page 1, line 2, after "requiring" insert "the commissioner of education to encourage"

Page 1, line 2, after "a" insert "voluntary"

Strike the Benedict amendment to the title, page 1, line 3
The motion did not prevail. So the amendment was not adopted.

S. F. No. 1594: A bill for an act relating to education; pupils; requiring a school breakfast program in each district which is located within the cities of Duluth, Minneapolis, St. Paul and Bloomington.

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 22 and nays 40, as follows:

Those who voted in the affirmative were:

Borden	Gunderson	Lewis	Spear	Vega
Chenoweth	Hughes	Luther	Staples	Willet
Coleman	Johnson	McCutcheon	Stokowski	
Dieterich	Keefe, S.	Schmitz	Stumpf	
Gearty	Knoll	Solon	Ulland, J.	

Those who voted in the negative were:

Ashbach	Engler	Knutson	Ogdahl	Renneke
Bang	Frederick	Laufenburger	Olhoft	Schaaf
Benedict	Hanson	Lessard	Olson	Setzepfandt
Bernhagen	Jensen	Menning	Penny	Sieloff
Brataas	Keefe, J.	Merriam	Perpich	Sillers
Chmielewski	Kirchner	Moe	Peterson	Strand
Davies	Kleinbaum	Nelson	Pillsbury	Ueland, A.
Dunn	Knaak	Nichols	Purfeerst	Wegener

So the bill failed to pass.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 2493 a Special Order to be heard immediately.

H. F. No. 2493: A bill for an act relating to public improvements; authorizing alteration, repair, rehabilitation, equipping, and replacement of equipment of public buildings with certain conditions; postponing deadline for submission of capital budget; authorizing purchase and sale of public lands and buildings; limiting construction of acoustical barriers; appropriating money; amending Minnesota Statutes 1976, Section 16A.11, Subdivision 1; Minnesota Statutes, 1977 Supplement, Section 161.125, Subdivision 1; repealing Laws 1977, Chapter 454, Section 16.

Mr. Frederick moved to amend H. F. No. 2493, as amended by the Senate pursuant to Rule 49, adopted March 8, 1978, as follows:

(The text of the amended house file is identical to S. F. No. 2370)

Page 2, line 2, delete "5,253,490" and insert "10,506,980"

Page 2, line 5, delete "\$22,218,277" and insert "\$27,471,767"

Page 2, line 6, delete "16,638,962" and insert "21,892,452"

Page 6, delete lines 1 and 2 and insert

"Subd. 6. Town road bridge structures 5,253,490

This appropriation is added to the amounts provided for fiscal 1978 pursuant to section 161.082, subdivision 2a.

This appropriation is from the trunk highway fund."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 18 and nays 39, as follows:

Those who voted in the affirmative were:

Bang	Frederick	Lessard	Purfeerst	Sikorski
Bernhagen	Gunderson	Menning	Renneke	Ueland, A.
Brataas	Jensen	Penny	Schmitz	
Engler	Knutson	Pillsbury	Sieloff	

Those who voted in the negative were:

Anderson	Hanson	Lewis	Perpich	Strand
Benedict	Hughes	Luther	Peterson	Stumpf
Borden	Johnson	McCutcheon	Schaaf	Tennessen
Chenoweth	Keefe, J.	Merriam	Setzepfandt	Ulland, J.
Chmielewski	Keefe, S.	Moe	Solon	Vega
Coleman	Kleinbaum	Nelson	Spear	Wegener
Davies	Knoll	Olhoft	Staples	Willet
Gearty	Laufenburger	Olson	Stokowski	

The motion did not prevail. So the amendment was not adopted.

CALL OF THE SENATE

Mr. Davies imposed a call of the Senate for the balance of the proceedings on H. F. Nos. 2493 and 2494. The following Senators answered to their names:

Anderson	Gunderson	Luther	Purfeerst	Strand
Bang	Hanson	McCutcheon	Renneke	Stumpf
Benedict	Jensen	Menning	Schaaf	Tennessen
Bernhagen	Keefe, J.	Merriam	Schmitz	Ueland, A.
Borden	Keefe, S.	Moe	Schrom	Ulland, J.
Brataas	Kirchner	Nelson	Setzepfandt	Vega
Chmielewski	Kleinbaum	Olhoft	Sieloff	Wegener
Coleman	Knaak	Olson	Sikorski	Willet
Davies	Knutson	Penny	Sillers	
Dunn	Laufenburger	Perpich	Solon	
Engler	Lessard	Peterson	Spear	
Frederick	Lewis	Pillsbury	Staples	

The Sergeant at Arms was instructed to bring in the absent members.

Mr. Frederick then moved to amend H. F. No. 2493, as amended by the Senate pursuant to Rule 49, adopted March 8, 1978, as follows:

(The text of the amended house file is identical to S. F. No. 2370)

Page 2, line 6, delete "16,638,962" and insert "21,892,452"

Page 2, line 8, delete "5,340,975" and insert "87,485"

Page 6, delete lines 1 and 2

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 14 and nays 41, as follows:

Those who voted in the affirmative were:

Bang	Engler	Knaak	Pillsbury	Sillers
Bernhagen	Frederick	Knutson	Purfeerst	Ueland, A.
Brataas	Keefe, J.	Penny	Renneke	

Those who voted in the negative were:

Anderson	Hanson	Luther	Schaaf	Stumpf
Borden	Jensen	McCutcheon	Schmitz	Tennessee
Chmielewski	Johnson	Menning	Schrom	Ulland, J.
Coleman	Keefe, S.	Merriam	Setzepfandt	Wegener
Davies	Kleinbaum	Moe	Solon	Willett
Dieterich	Knoll	Nelson	Spear	
Dunn	Laufenburger	Olhoff	Staples	
Gearty	Lessard	Perpich	Stokowski	
Gunderson	Lewis	Peterson	Strand	

The motion did not prevail. So the amendment was not adopted.

H. F. No. 2493 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:

Anderson	Frederick	Knutson	Olson	Sillers
Ashbach	Gearty	Laufenburger	Penny	Spear
Bang	Gunderson	Lessard	Perpich	Staples
Bernhagen	Hanson	Lewis	Peterson	Stokowski
Borden	Hughes	Luther	Pillsbury	Strand
Brataas	Jensen	McCutcheon	Purfeerst	Stumpf
Chenoweth	Johnson	Menning	Renneke	Tennessee
Chmielewski	Keefe, J.	Merriam	Schaaf	Ueland, A.
Coleman	Keefe, S.	Moe	Schmitz	Ulland, J.
Davies	Kirchner	Nelson	Schrom	Vega
Dieterich	Kleinbaum	Nichols	Setzepfandt	Wegener
Dunn	Knaak	Ogdahl	Sieloff	Willett
Engler	Knoll	Olhoff	Sikorski	

So the bill passed and its title was agreed to.

RECESS

Mr. Coleman moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

Without objection, the Senate reverted to the Order of Business of Executive and Official Communications.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

March 8, 1978

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

The following appointment to the Board of the Arts is hereby respectfully submitted to the Senate for confirmation as required by law:

Stephen F. Keating, 688 Hillside Dr., Wayzata, Hennepin County, has been appointed by me, effective January 12, 1978, for a term expiring the first Monday in January, 1982.

Sincerely,
Rudy Perpich, Governor

Referred to the Committee on General Legislation and Veterans Affairs.

Without objection, the Senate reverted to the Order of Business of Reports of Committees and Second Reading of Senate Bills.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. McCutcheon from the Committee on Taxes and Tax Laws, to which was re-referred

S. F. No. 1755: A bill for an act relating to trees; clarifying municipal costs eligible for reimbursement by the state; authorizing municipal subsidies to certain persons; requiring an investigation of uses of diseased wood; authorizing the transfer of certain trees purchased from the state; extending the special levy authority for sanitation and reforestation; clarifying utilization of appropriations for shade tree disease control; authorizing extension of temporary rules; appropriating money; amending Minnesota Statutes 1976, Sections 89.38 and 89.391; and Minnesota Statutes, 1977 Supplement, Sections 18.023, Subdivisions 3a, 4 and 11; and 275.50, Subdivision 6.

Reports the same back with the recommendation that the bill be amended as follows:

Page 6, line 7, restore the stricken language

Page 6, line 8, after "1978" insert "1979, payable in 1980"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. McCutcheon from the Committee on Taxes and Tax Laws, to which was referred

S. F. No. 2051: A bill for an act relating to taxation; conforming deductions for individual income tax; reducing certain income tax rates; increasing credits available to certain taxpayers; authorizing the commissioner of revenue to prescribe new forms; exempting newsprint and ink from sales tax; repealing employer's excise tax; amending Minnesota Statutes 1976, Sections 290.06, Subdivision 3d; 290.10; 297A.14; 297A.25, Subdivision 1; and Minnesota Statutes, 1977 Supplement, Sections 290.06, Subdivision 2c; 290.09, Subdivisions 4, 5, and 10; and 290.21, Subdivision 3; repealing Minnesota Statutes 1976, Sections 290.031, Subdivisions 1, 2, 3, 5 and 6; 290.21, Subdivision 7; and Minnesota Statutes, 1977 Supplement, Section 290.031, Subdivision 4.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

ARTICLE I

Section 1. Minnesota Statutes 1976, Section 290.06, Subdivision 3d, is amended to read:

Subd. 3d. [CREDITS AGAINST TAX.] The taxes due as computed in accordance with section 290.06, subdivisions 2c and 3c shall be credited with the following amounts:

- (1) A credit equal to his tax liability in the case of:
 - (a) An unmarried claimant with an income of ~~\$4,400~~ **\$4,800** or less;
 - (b) A claimant with one dependent, with an income of ~~\$5,200~~ **\$5,800** or less;
 - (c) A claimant with two dependents, with an income of ~~\$6,000~~ **\$6,900** or less;
 - (d) A claimant with three dependents, with an income of ~~\$6,700~~ **\$7,800** or less;
 - (e) A claimant with four dependents, with an income of ~~\$7,300~~ **\$8,400** or less; and
 - (f) A claimant with five or more dependents, with an income of ~~\$7,800~~ **\$8,900** or less.

(2) In the case of a claimant with an income in excess of that set forth in the appropriate category of clause (1), he may pay a tax equal to 15 percent of that portion of his income that is in excess of the amount set forth in the appropriate category of clause (1), or his tax obligation as it would have been in the absence of section 290.012 and this subdivision, whichever is less.

(3) The total income of the claimant and his spouse, if any, shall be the figure employed for the purposes of this subdivision.

No individual dependent upon and receiving his chief support from any other individual may be a claimant under section 290.012 and this subdivision. The commissioner of revenue shall prescribe the additional forms or alterations in existing forms as necessary to comply with the provisions of section 290.012 and this subdivision. All claimants shall submit their returns on these forms.

Sec. 2. [EFFECTIVE DATE.] *This article is effective for taxable years beginning after December 31, 1977.*

ARTICLE II

Section 1. Minnesota Statutes 1976, Section 297A.14, is amended to read:

297A.14 [USING, STORING OR CONSUMING TANGIBLE PERSONAL PROPERTY; ADMISSIONS; UTILITIES.] For the privilege of using, storing or consuming in Minnesota tangible personal property, tickets or admissions to places of amusement and athletic events, electricity, gas, and local exchange telephone service purchased for use, storage or consumption in this state, there is hereby imposed on every person in this state a use tax at the rate of four percent of the sales price of sales at retail of any of the aforementioned items made to such person after October 31, 1971, unless the tax imposed by section 297A.02 was paid on said sales price.

Motor vehicles subject to tax under this section shall be taxed at the fair market value at the time of transport into Minnesota if such motor vehicles were acquired more than three months prior to its transport into this state.

~~Notwithstanding any other provisions of sections 297A.01 to 297A.44 to the contrary, the cost of paper and ink products exceeding \$100,000 in any calendar year, used or consumed in producing a publication as defined in section 297A.25, subdivision 1, clause (i) is subject to the tax imposed by this section.~~

Sec. 2. Minnesota Statutes 1976, Section 297A.25, Subdivision 1, is amended to read:

297A.25 [EXEMPTIONS.] Subdivision 1. The following are specifically exempted from the taxes imposed by sections 297A.01 to 297A.44:

(a) The gross receipts from the sale of food products including but not limited to cereal and cereal products, butter, cheese, milk and milk products, oleomargarine, meat and meat products, fish and fish products, eggs and egg products, vegetables and vegetable products, fruit and fruit products, spices and salt, sugar and sugar products, coffee and coffee substitutes, tea, cocoa and cocoa products;

(b) The gross receipts from the sale of prescribed drugs and medicine intended for use, internal or external, in the cure, mitigation, treatment or prevention of illness or disease in human beings and products consumed by humans for the preservation of

health, including prescription glasses, therapeutic and prosthetic devices, but not including cosmetics or toilet articles notwithstanding the presence of medicinal ingredients therein;

(c) The gross receipts from the sale of and the storage, use or other consumption in Minnesota of tangible personal property, tickets, or admissions, electricity, gas, or local exchange telephone service, which under the Constitution or laws of the United States or under the Constitution of Minnesota, the state of Minnesota is prohibited from taxing;

(d) The gross receipts from the sale of tangible personal property (i) which, without intermediate use, is shipped or transported outside Minnesota and thereafter used in a trade or business or is stored, processed, fabricated or manufactured into, attached to or incorporated into other tangible personal property transported or shipped outside Minnesota and thereafter used in a trade or business outside Minnesota, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce (storage shall not constitute intermediate use); or (ii) which the seller delivers to a common carrier for delivery outside Minnesota, places in the United States mail or parcel post directed to the purchaser outside Minnesota, or delivers to the purchaser outside Minnesota by means of the seller's own delivery vehicles, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce;

(e) The gross receipts from the sale of packing materials used to pack and ship household goods, the ultimate destination of which is outside the state of Minnesota and which are not thereafter returned to a point within Minnesota, except in the course of interstate commerce;

(f) The gross receipts from the sale of and storage, use or consumption of petroleum products upon which a tax has been imposed under the provisions of chapter 296, whether or not any part of said tax may be subsequently refunded;

(g) The gross receipts from the sale of clothing and wearing apparel except the following:

(i) all articles commonly or commercially known as jewelry, whether real or imitation; pearls, precious and semi-precious stones, and imitations thereof; articles made of, or ornamented, mounted or fitted with precious metals or imitations thereof; watches; clocks; cases and movements for watches and clocks; gold, gold-plated, silver, or sterling flatware or hollow ware and silver-plated hollow ware; opera glasses; lorgnettes; marine glasses; field glasses and binoculars.

(ii) articles made of fur on the hide or pelt, and articles of which such fur is the component material or chief value, but only if such value is more than three times the value of the next most valuable component material.

(iii) perfume, essences, extracts, toilet waters, cosmetics, petroleum jellies, hair oils, pomades, hair dressings, hair restoratives,

hair dyes, aromatic cachous and toilet powders. The tax imposed by this act shall not apply to lotion, oil, powder, or other article intended to be used or applied only in the case of babies.

(iv) trunks, valises, traveling bags, suitcases, satchels, overnight bags, hat boxes for use by travelers, beach bags, bathing suit bags, brief cases made of leather or imitation leather, salesmen's sample and display cases, purses, handbags, pocketbooks, wallets, billfolds, card, pass, and key cases and toilet cases.

(h) The gross receipts from the sale of and the storage, use, or consumption of all materials, including chemicals, fuels, petroleum products, lubricants, packaging materials, including returnable containers used in packaging food and beverage products, feeds, seeds, fertilizers, electricity, gas and steam, used or consumed in agricultural or industrial production of personal property intended to be sold ultimately at retail, whether or not the item so used becomes an ingredient or constituent part of the property produced. Such production shall include, but is not limited to, research, development, design or production of any tangible personal property, manufacturing, processing (other than by restaurants and consumers) of agricultural products whether vegetable or animal, commercial fishing, refining, smelting, reducing, brewing, distilling, printing, mining, quarrying, lumbering, generating electricity and the production of road building materials. Such production shall not include painting, cleaning, repairing or similar processing of property except as part of the original manufacturing process. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures, used in such production and fuel, electricity, gas or steam used for space heating or lighting, are not included within this exemption; however, accessory tools, equipment and other short lived items, which are separate detachable units used in producing a direct effect upon the product, where such items have an ordinary useful life of less than 12 months, are included within the exemption provided herein;

(i) The gross receipts from the sale of and storage, use or other consumption in Minnesota of tangible personal property (~~except as provided in section 207A.14~~) which is used or consumed in producing any publication regularly issued at average intervals not exceeding three months, and any such publication. For purposes of this subsection, "publication" as used herein shall include, without limiting the foregoing, a legal newspaper as defined by Minnesota Statutes 1965, Section 331.02, and any supplements or enclosures with or part of said newspaper; and the gross receipts of any advertising contained therein or therewith shall be exempt. For this purpose, advertising in any such publication shall be deemed to be a service and not tangible personal property, and persons or their agents who publish or sell such newspapers shall be deemed to be engaging in a service with respect to gross receipts realized from such newsgathering or publishing activities by them, including the sale of advertising. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures used in such publication and fuel, electricity, gas or steam used for space heating or lighting, are not exempt;

(j) The gross receipts from all sales of tangible personal property to, and all storage, use or consumption of such property by, the United States and its agencies and instrumentalities or a state and its agencies, instrumentalities and political subdivisions;

(k) The gross receipts from the isolated or occasional sale of tangible personal property in Minnesota not made in the normal course of business of selling that kind of property, and the storage, use, or consumption of property acquired as a result of such a sale;

(l) The gross receipt from sales of rolling stock and the storage, use or other consumption of such property by railroads, freight line companies, sleeping car companies and express companies taxed on the gross earnings basis in lieu of ad valorem taxes. For purposes of this clause "rolling stock" is defined as the portable or moving apparatus and machinery of any such company which moves on the road, and includes, but is not limited to, engines, cars, tenders, coaches, sleeping cars and parts necessary for the repair and maintenance of such rolling stock.

(m) The gross receipts from sales of airlight equipment and the storage, use or other consumption of such property by airline companies taxed under the provisions of sections 270.071 to 270.079. For purposes of this clause, "airflight equipment" includes airplanes and parts necessary for the repair and maintenance of such airlight equipment, and flight simulators.

(n) The gross receipts from the sale of telephone central office telephone equipment used in furnishing intrastate and interstate telephone service to the public.

(o) The gross receipts from the sale of and the storage, use or other consumption by persons taxed under the in lieu provisions of chapter 298, of mill liners, grinding rods and grinding balls which are substantially consumed in the production of taconite, the material of which primarily is added to and becomes a part of the material being processed.

(p) The gross receipts from the sale of tangible personal property to, and the storage, use or other consumption of such property by, any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious or educational purposes if the property purchased is to be used in the performance of charitable, religious or educational functions, or any senior citizen group organized and operated exclusively for pleasure, recreation and other nonprofit purposes, no part of the net earnings of which inures to the benefit of any private shareholders;

(q) The gross receipts from the sale of caskets and burial vaults;

(r) The gross receipts from the sale of cigarettes.

(s) The gross receipts from the sale of an automobile or other conveyance if the purchaser is assisted by a grant from the United States in accordance with 38 United States Code, Section 1901, as amended.

(t) The gross receipts from the sale to the licensed aircraft dealer of an aircraft for which a commercial use permit has been issued pursuant to section 360.654, if the aircraft is resold while the permit is in effect.

(u) The gross receipts from the sale of building materials to be used in the construction or remodeling of a residence when the construction or remodeling is financed in whole or in part by the United States in accordance with 38 United States Code, Sections 801 to 805, as amended. This exemption shall not be effective at time of sale of the materials to contractors, subcontractors, builders or owners, but shall be applicable only upon a claim for refund to the commissioner of revenue filed by recipients of the benefits provided in Title 38 United States Code, Chapter 21, as amended. The commissioner shall provide by regulation for the refund of taxes paid on sales exempt in accordance with this paragraph.

(v) The gross receipts from the sale of textbooks which are prescribed for use in conjunction with a course of study in a public or private school, college, university and business or trade school to students who are regularly enrolled at such institutions. For purposes of this clause a "public school" is defined as one that furnishes course of study, enrollment and staff that meet standards of the state board of education and a private school is one which under the standards of the state board of education, provides an education substantially equivalent to that furnished at a public school. Business and trade schools shall mean such schools licensed pursuant to section 141.25.

(w) The gross receipts from the sale of and the storage of material designed to advertise and promote the sale of merchandise or services, which material is purchased and stored for the purpose of subsequently shipping or otherwise transferring outside the state by the purchaser for use thereafter solely outside the state of Minnesota.

Sec. 3. [EFFECTIVE DATE.] *This article is effective July 1, 1978.*

ARTICLE III

Section 1. [REPEALER.] *Minnesota Statutes 1976, Sections 290.031, Subdivisions 1, 2, 3, 5 and 6; 290.921; and 290.922; and Minnesota Statutes, 1977 Supplement, Section 290.031, Subdivision 4, are repealed.*

Sec. 2. [EFFECTIVE DATE.] *This article is effective for compensation paid after June 30, 1978.*

ARTICLE IV

Section 1, Minnesota Statutes, 1977 Supplement, Section 290.06, Subdivision 3c, is amended to read:

Subd. 3c. [CREDITS AGAINST TAX.] *Notwithstanding the provisions of subdivision 2a Except as provided in subdivision 3e, for taxable years which begin after December 31, 1977, the taxes due under the computation in accordance with section 290.06 shall be credited with the following amounts:*

(1) In the case of an unmarried individual, and, except as provided in paragraph 6, in the case of the estate of a decedent, \$20 \$45 , and in the case of a trust, \$5;

(2) In the case of a married individual, living with husband or wife, and in the case of head of a household, \$60 \$90 . If such husband and wife make separate returns the personal exemption may be taken by either or divided between them;

(3) In the case of an individual, \$30 \$45 for each person (other than husband or wife) dependent upon and receiving his chief support from the taxpayer. One taxpayer only shall be allowed this credit with respect to any given dependent. In the case of the head of a household, a credit for one dependent shall be disallowed. A payment to a divorced or separated wife, other than a payment of the kind referred to in section 290.072, subdivision 3, shall not be considered a payment by the husband for the support of any dependent.

(4) (a) In the case of an unmarried individual who has attained the age of 65 before the close of his taxable year, an additional \$30 \$45 ;

(b) In the case of an unmarried individual who is blind at the close of the taxable year, an additional \$30 \$45 ;

(c) In the case of a married individual, living with husband or wife, an additional \$30 \$45 for each spouse who has attained the age of 65 before the close of the individual's taxable year, and an additional \$30 \$45 for each spouse who is blind at the close of the individual's taxable year. If such husband and wife make separate returns, these credits may be taken by either or divided between them;

(d) *In the case of an individual, an additional \$45 for each person, other than a spouse, who is blind and dependent upon and receiving his chief support from the taxpayer;*

(d) (e) For the purposes of sub-paragraphs (b) and , (c) and (d) of paragraph (4), an individual is blind if his central visual acuity does not exceed 20/200 in the better eye with correcting lenses, or if his visual acuity is greater than 20/200 but is accompanied by a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees.

(e) (f) In the case of an unmarried individual who is deaf at the close of the taxable year, an additional \$30 \$45 .

(f) (g) In the case of a married individual, an additional \$30 \$45 for each spouse who is deaf at the close of the taxable year. If the husband and wife make separate returns, these credits may be taken by either or divided between them.

(g) (h) In the case of an individual, an additional \$30 \$45 for each person (other than a spouse) who is deaf and dependent upon and receiving his chief support from the taxpayer.

~~(h)~~ (i) For the purposes of subparagraphs ~~(e)~~ (f), and (g) and (h) of paragraph (4), an individual is deaf if the average loss in the speech frequencies (500-2000 Hertz) in the better ear, unaided, is 92 decibels, American National Standards Institute, or worse.

(5) In the case of an insurance company, it shall receive a credit on the tax computed as above equal in amount to any taxes based on premiums paid by it during the period for which the tax under Extra Session Laws 1967, Chapter 32, is imposed by virtue of any law of this state, other than the surcharge on premiums imposed by Extra Session Laws 1933, Chapter 53, as amended;

(6) In the case of a non-resident individual, credits under paragraphs 1, 2, 3 and 4 shall be apportioned in the proportion of the gross income from sources in Minnesota to the gross income from all sources, and in any event a minimum credit of \$5 shall be allowed.

Sec. 2. Minnesota Statutes 1976, Section 290.06, is amended by adding a subdivision to read:

Subd. 3e. [CREDITS AGAINST TAX.] Notwithstanding the provisions of subdivision 3c for taxable years which begin after December 31, 1978, the taxes due under the computation in accordance with section 290.06 shall be credited with the following amounts:

(1) In the case of an unmarried individual, and, except as provided in paragraph 6, in the case of the estate of a decedent, \$50, and in the case of a trust, \$5;

(2) In the case of a married individual, living with husband or wife, and in the case of a head of a household, \$100. If such husband and wife make separate returns the personal exemption may be taken by either or divided between them;

(3) In the case of an individual, \$50 for each person (other than husband or wife) dependent upon and receiving his chief support from the taxpayer. One taxpayer only shall be allowed this credit with respect to any given dependent. In the case of the head of a household, a credit for one dependent shall be disallowed. A payment to a divorced or separated wife, other than a payment of the kind referred to in section 290.072, subdivision 3, shall not be considered a payment by the husband for the support of any dependent.

(4) (a) In the case of an unmarried individual who has attained the age of 65 before the close of his taxable year, an additional \$50;

(b) In the case of an unmarried individual who is blind at the close of the taxable year, an additional \$50;

(c) In the case of a married individual, living with husband or wife, an additional \$50 for each spouse who has attained the age of 65 before the close of the individual's taxable year, and an additional \$50 for each spouse who is blind at the close of the indi-

vidual's taxable year. If such husband and wife make separate returns, these credits may be taken by either or divided between them;

(d) In the case of an individual, an additional \$50 for each person other than a spouse, who is blind and dependent upon and receiving his chief support from the taxpayer;

(e) For the purposes of sub-paragraphs (b), (c), and (d) of paragraph (4), an individual is blind if his central visual acuity does not exceed 20/200 in the better eye with correcting lenses, or if his visual acuity is greater than 20/200 but is accompanied by a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees.

(f) In the case of an unmarried individual who is deaf at the close of the taxable year, an additional \$50.

(g) In the case of a married individual, an additional \$50 for each spouse who is deaf at the close of the taxable year. If the husband and wife make separate returns, these credits may be taken by either or divided between them.

(h) In the case of an individual, an additional \$50 for each person (other than a spouse) who is deaf and dependent upon and receiving his chief support from the taxpayer.

(i) For the purposes of subparagraphs (f), (g), and (h) of paragraph (4), an individual is deaf if the average loss in the speech frequencies (500-2000 Hertz) in the better ear, unaided, is 92 decibels, American National Standards Institute, or worse.

(5) In the case of an insurance company, it shall receive a credit on the tax computed as above equal in amount to any taxes based on premiums paid by it during the period for which the tax under Extra Session Laws 1967, Chapter 32, is imposed by virtue of any law of this state, other than the surcharge on premiums imposed by Extra Session Laws 1933, Chapter 53, as amended;

(6) In the case of a non-resident individual, credits under paragraphs 1, 2, 3 and 4 shall be apportioned in the proportion of the gross income from sources in Minnesota to the gross income from all sources, and in any event a minimum credit of \$5 shall be allowed.

Sec. 3. [REPEALER.] Minnesota Statutes 1976, Section 290.06, Subdivisions 3a and 3b are repealed.

ARTICLE V

Section 1. Minnesota Statutes 1976, Section 290.06, is amended by adding a subdivision to read:

Subd 3e. [HOMEMAKER CREDIT.] A credit of \$50 may be deducted from the tax due from the taxpayer and his spouse, if any, under Chapter 290 if either the taxpayer or his spouse devotes his time to caring for his children and their home and is not employed outside of the home. A taxpayer would qualify for the

credit if he has a child who is twelve years of age or younger residing in his home at any time during the taxable year and if either the taxpayer or his spouse remains unemployed throughout the taxable year for the purpose of caring for the child in the home. A married claimant shall file his income tax return for the year for which he claims the credit either jointly or separately on one form with his spouse. In the case of the married claimant, only one spouse may claim the credit.

Sec. 2. [EFFECTIVE DATE.] *This article is effective for taxable years beginning after December 31, 1977.*

ARTICLE VI

Section 1. Minnesota Statutes, 1977 Supplement, Section 290.06, Subdivision 2c, is amended to read:

Subd. 2c. [SCHEDULE OF RATES FOR INDIVIDUALS, ESTATES AND TRUSTS.] (a) For taxable years beginning after December 31, 1977, the income taxes imposed by this chapter upon individuals, estates and trusts, other than those taxable as corporations, shall be computed by applying to their taxable net income in excess of the applicable credits allowed by section 290.21, the following schedule of rates:

- (1) On the first \$500, one and six-tenths percent;
- (2) On the second \$500, two and two-tenths percent;
- (3) On the next \$1,000, three and five-tenths percent;
- (4) On the next \$1,000, five and eight-tenths percent;
- (5) On the next \$1,000, seven and three-tenths percent;
- (6) On the next \$1,000, eight and eight-tenths percent;
- (7) On the next \$2,000, ten and two-tenths percent;
- (8) On the next \$2,000, eleven and five-tenths percent;
- (9) On the next \$3,500, twelve and eight-tenths percent;
- (10) On all over \$12,500, and not over \$20,000, fourteen percent;
- (11) On all over \$20,000 and not over ~~\$25,000~~ \$35,000, fifteen percent;
- (12) On all over ~~\$25,000~~ and not over \$35,000, sixteen percent;
- ~~(13)~~ On all over \$35,000 and not over \$50,000, ~~seventeen six-~~teen percent;
- ~~(14)~~ (13) On the remainder, ~~eighteen~~ *seventeen* percent.

(b) In lieu of a tax computed according to the rates set forth in clause (a) of this subdivision, the tax of any individual taxpayer whose taxable net income for the taxable year, reduced by the applicable credits allowed by section 290.21, is less than \$20,000 shall be computed in accordance with tables prepared and issued by the commissioner of revenue based on income brackets of not more than \$100. The amount of tax for each bracket shall be com-

puted at the rates set forth in this subdivision, provided that the commissioner may disregard a fractional part of a dollar unless it amounts to 50 cents or more, in which case it may be increased to \$1.

ARTICLE VII

Section 1. Minnesota Statutes, 1977 Supplement, Section 290.01, Subdivision 20, is amended to read:

Subd. 20. [GROSS INCOME.] Except as otherwise provided in this chapter, the term "gross income," as applied to corporations includes every kind of compensation for labor or personal services of every kind from any private or public employment, office, position or services; income derived from the ownership or use of property; gains or profits derived from every kind of disposition of, or every kind of dealing in, property; income derived from the transaction of any trade or business; and income derived from any source; except that gross income shall not include "exempt function income" of a "homeowners association" as those terms are defined in Section 528 of the Internal Revenue Code of 1954, as amended.

For each of the taxable years beginning after December 31, 1960 and prior to January 1, 1971, the term "gross income" in its application to individuals, estates, and trusts, shall mean the adjusted gross income as computed for federal income tax purposes as defined in the Internal Revenue Code of 1954, as amended through December 31, 1970 for the applicable taxable year, with the modifications specified in this section.

For each of the taxable years beginning after December 31, 1970, the term "gross income" in its application to individuals, estates, and trusts shall mean the adjusted gross income as computed for federal income tax purposes as defined in the Internal Revenue Code of 1954, as amended through the date specified herein for the applicable taxable year, with the modifications specified in this section.

(i) The Internal Revenue Code of 1954, as amended through December 31, 1970, shall be in effect for taxable years beginning after December 31, 1970 and prior to January 1, 1973.

(ii) The Internal Revenue Code of 1954, as amended through December 31, 1972, shall be in effect for taxable years beginning after December 31, 1972.

(iii) The Internal Revenue Code of 1954, as amended through December 31, 1973, shall be in effect for taxable years beginning after December 31, 1973.

(iv) The Internal Revenue Code of 1954, as amended through December 31, 1974, shall be in effect for the taxable years beginning after December 31, 1974.

(v) The Internal Revenue Code of 1954, as amended through December 31, 1976, including the amendments made to section 280A (relating to licensed day care centers) in H.R. 3477 as it passed the Congress on May 16, 1977, shall be in effect for the

taxable years beginning after December 31, 1976. The provisions of the Tax Reform Act of 1976, P.L. 94-455, which affect adjusted gross income shall become effective for purposes of chapter 290 at the same time they become effective for federal income tax purposes. Section 207 (relating to extension of period for non-recognition of gain on sale or exchange of residence) and section 402 (relating to time for making contributions to pension plans of self employed people) of P.L. 94-12 shall be effective for taxable years beginning after December 31, 1974.

References to the Internal Revenue Code of 1954 in clauses (a), (b) and (c) following shall mean the code in effect for the purpose of defining gross income for the applicable taxable year.

(a) Modifications increasing federal adjusted gross income. There shall be added to federal adjusted gross income:

(1) Interest income on obligations of any state other than Minnesota or a political subdivision of any such other state exempt from federal income taxes under the Internal Revenue Code of 1954;

(2) Interest income on obligations of any authority, commission, or instrumentality of the United States, which the laws of the United States exempt from federal income tax, but not from state income taxes;

(3) Income taxes imposed by this state or any other taxing jurisdiction, to the extent deductible in determining federal adjusted gross income and not credited against federal income tax;

(4) Interest on indebtedness incurred or continued to purchase or carry securities the income from which is exempt from tax under this chapter, to the extent deductible in determining federal adjusted gross income;

(5) Amounts received as reimbursement for an expense of sickness or injury which was deducted in a prior taxable year to the extent that the deduction for such reimbursed expenditure resulted in a tax benefit;

(6) The amount of any federal income tax overpayment for any previous taxable year, received as refund or credited to another taxable year's income tax liability, proportionate to the percentage of federal income tax that was claimed as a deduction in determining Minnesota income tax for such previous taxable year.

The overpayment refund or credit, determined with respect to a husband and wife on a joint federal income tax return for a previous taxable year, shall be reported on joint or separate Minnesota income tax returns. In the case of separate Minnesota returns, the overpayment shall be reported by each spouse proportionately according to the relative amounts of federal income tax claimed as a deduction on his or her separate Minnesota income tax return for such previous taxable year;

(7) In the case of a change of residence from Minnesota to

another state or nation, the amount of moving expenses which exceed total reimbursements and which were therefore deducted in arriving at federal adjusted gross income;

(8) In the case of property disposed of on or after January 1, 1973, the amount of any increase in the taxpayer's federal tax liability under section 47 of the Internal Revenue Code of 1954, as amended through December 31, 1976, to the extent of the credit under section 38 of the Internal Revenue Code of 1954, as amended through December 31, 1976, that was previously allowed as a deduction either under section 290.01, subdivision 20 (b) (9) or under section 290.09, subdivision 24; and

(9) Expenses and losses arising from a farm which are not allowable under section 290.09, subdivision 29;

(10) Expenses and depreciation attributable to substandard buildings disallowed by section 290.101; and

(11) The amount by which the gain determined pursuant to section 41.59, subdivision 2 exceeds the amount of such gain included in federal adjusted gross income;

(13) Interest income from qualified scholarship funding bonds as defined in section 103(e) of the Internal Revenue Code of 1954, as amended through December 31, 1976, if the nonprofit corporation is domiciled outside of Minnesota;

(14) Exempt-interest dividends, as defined in section 852(b) (5) (A) of the Internal Revenue Code of 1954, as amended through December 31, 1976, not included in federal adjusted gross income pursuant to section 852(b) (5) (B) of the Internal Revenue Code of 1954, as amended through December 31, 1976, except for that portion of such exempt-interest dividends derived from interest income on obligations of the state of Minnesota, any of its political or governmental subdivisions, any of its municipalities, or any of its governmental agencies or instrumentalities;

(15) The amount of any excluded gain realized by a trust on the sale or exchange of property as defined in section 641(c) (1).

(b) Modifications reducing federal adjusted gross income. There shall be subtracted from federal adjusted gross income:

(1) Interest income on obligations of any authority, commission or instrumentality of the United States to the extent includible in gross income for federal income tax purposes but exempt from state income tax under the laws of the United States;

(2) The portion of any gain, from the sale or other disposition of property having a higher adjusted basis for Minnesota income tax purposes than for federal income tax purposes, that does not exceed such difference in basis; but if such gain is considered a long-term capital gain for federal income tax purposes, the modification shall be limited to fifty per centum of such portion of the gain. This modification shall not be applicable if the difference in basis is due to disallowance of depreciation pursuant to section 290.101.

(3) Interest or dividend income on securities to the extent exempt from income tax under the laws of this state authorizing the issuance of such securities but includible in gross income for federal income tax purposes;

(4) Losses, not otherwise reducing federal adjusted gross income assignable to Minnesota, arising from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20, including any capital loss or net operating loss carryforwards or carrybacks resulting from such losses;

(5) If included in federal adjusted gross income, the amount of any credit received, whether received as a refund or credit to another taxable year's income tax liability, pursuant to chapter 290A, and the amount of any overpayment of income tax to Minnesota, or any other state, for any previous taxable year, whether such amount is received as a refund or credited to another taxable year's income tax liability;

(6) The amount of any pension or benefit which is excluded from gross income under the provisions of section 290.08, subdivision 6; and

(7) In the case of property acquired on or after January 1, 1973, the amount of any credit to the taxpayer's federal tax liability under section 38 of the Internal Revenue Code of 1954, as amended through December 31, 1976, but only to the extent that the credit is connected with or allocable against the production or receipt of income included in the measure of the tax imposed by this chapter;

~~(10)~~ (8) The amount of any distribution from a qualified pension or profit sharing plan included in federal adjusted gross income in the year of receipt to the extent of any contribution not previously allowed as a deduction by reason of a change in federal law which was not adopted by Minnesota law for a taxable year beginning in 1974 or later; and

(9) The amount of any credit against the taxpayer's federal tax liability for the preceding taxable year provided for expenditures for tuition for post-secondary education.

(c) Modifications affecting shareholders of electing small business corporations under section 1372 of the Internal Revenue Code of 1954, or section 290.972 of this chapter.

(1) Shareholders in a small business corporation, which has elected to be so taxed under the Internal Revenue Code of 1954, but has not made an election under section 290.972 of this chapter, shall deduct from federal adjusted gross income the amount of any imputed income from such corporation and shall add to federal adjusted gross income the amount of any loss claimed as a result of such stock ownership. Also there shall be added to federal adjusted gross income the amount of any distributions in cash or property made by said corporation to its shareholders during the taxable year.

(2) In cases where the small business corporation has made

an election under section 1372 of the Internal Revenue Code of 1954, but has not elected under section 290.972 of this chapter and said corporation is liquidated or the individual shareholder disposes of his stock and there is no capital loss reflected in federal adjusted gross income because of the fact that corporate losses have exhausted the shareholders basis for federal purposes, such shareholders shall be entitled, nevertheless, to a capital loss commensurate to their Minnesota basis for the stock.

(3) In cases where the election under section 1372 of the Internal Revenue Code of 1954 antedates the election under section 290.972 of this chapter and at the close of the taxable year immediately preceding the effective election under section 290.972 the corporation has a reserve of undistributed taxable income previously taxed to shareholders under the provisions of the Internal Revenue Code of 1954, in the event and to the extent that such reserve is distributed to shareholders such distribution shall be taxed as a dividend for purposes of this act.

Items of gross income includible within these definitions shall be deemed such regardless of the form in which received. Items of gross income shall be included in gross income of the taxable year in which received by a taxpayer unless properly to be accounted for as of a different taxable year under methods of accounting permitted by section 290.07, except that (1) amounts transferred from a reserve or other account, if in effect transfers to surplus, shall, to the extent that such amounts were accumulated through deductions from gross income or entered into the computation of taxable net income during any taxable year, be treated as gross income for the year in which the transfer occurs, but only to the extent that such amounts resulted in a reduction of the tax imposed by this act, and (2) amounts received as refunds on account of taxes deducted from gross income during any taxable year shall be treated as gross income for the year in which actually received, but only to the extent that such amounts resulted in a reduction of the tax imposed by this act.

(d) Modification in computing taxable income of the estate of a decedent. Amounts allowable under section 291.07, subdivision 1(2) in computing Minnesota inheritance tax liability shall not be allowed as a deduction in computing the taxable income of the estate unless there is filed within the time and in the manner and form prescribed by the commissioner a statement that the amounts have not been allowed as a deduction under section 291.07 and a waiver of the right to have such amounts allowed at any time as deductions under section 291.07. The provisions of this paragraph shall not apply with respect to deductions allowed under section 290.077 (relating to income in respect of decedents). In the event that the election made for federal tax purposes under section 642(g) of the Internal Revenue Code of 1954 differs from the election made under this paragraph appropriate modification of the estate's federal taxable income shall be made to implement the election made under this paragraph in accordance with regulations prescribed by the commissioner.

Sec. 2. [EFFECTIVE DATE.] *This article is effective for taxable years beginning after December 31, 1978.*

ARTICLE VIII

Section 1. [DEFINITIONS.] *Subdivision 1. For the purposes of sections 1 and 2 the following terms shall have the meanings given them in this section.*

Subd. 2. "Electric utility" means a person, corporation or other legal entity operating equipment or facilities in this state for furnishing electric service to the public at retail or to its members.

Subd. 3. "Major electric generating facility" means a facility designed for operation at a capacity of 200 megawatts or more, capable of producing electrical energy for the purpose of transmission and distribution to a consumer.

Subd. 4. "Taxing district" means a county, city, town, school district, special district or other governmental entity permitted to levy ad valorem taxes.

Subd. 5. "Taxes" shall include payments made to taxing authorities in lieu of taxes by municipal power agencies pursuant to Minnesota Statutes, Section 453.54, Subdivision 20.

Sec. 2. [TAX LEVIED BY LOCAL TAXING DISTRICTS ON MAJOR ELECTRIC GENERATING FACILITIES.] *A taxing district having a major electric generating facility within its boundaries shall spread its levy on 100 percent of the assessed value of the land and structures used by the electric utility on the site. If the assessed value of the taxable attached machinery at the facility does not increase from its assessed value for the 1977 assessment year in subsequent years, the taxing district shall also spread its levy against 100 percent of the current taxable value of the attached machinery. If the assessed value of the taxable attached machinery at the facility does increase from the assessed value of the taxable attached machinery for the 1977 assessment year in subsequent years, the taxing district shall also spread its levy on 100 percent of the assessed value of the taxable attached machinery for the 1977 assessment year and 20 percent of the subsequent net increase in the assessed value of the taxable attached machinery at that facility. The remainder of the subsequent net increase in the assessed value of the taxable attached machinery shall be exempt from ad valorem taxation.*

Sec. 3. [EFFECTIVE DATE.] *Sections 1 and 2 are effective for taxes levied in 1978, payable in 1979 and subsequent years.*

ARTICLE IX

Section 1. Minnesota Statutes, 1977 Supplement, Section 290.06, Subdivision 9a, is amended to read:

Subd. 9a. [FEEDLOT POLLUTION CONTROL EQUIPMENT.] *A credit of 10 percent of the net cost of pollution control and abatement equipment, including but not limited to, lagoons,*

concrete storage pits, slurry handling equipment, and other equipment and devices approved by the pollution control agency, purchased, installed and operated within the state by a feedlot operator to prevent pollution of air, land, or water in connection with the operation of a livestock feedlot, poultry lot or other animal lot, may be deducted from the tax due under this chapter in the taxable year in which such equipment is purchased, provided that no deduction shall be taken for any portion of the cost of the same equipment pursuant to subdivision 9. The credit provided for in subdivision 9 shall terminate on December 31, 1976. The credit provided for in this subdivision shall terminate on December 31, 1980, except any amounts that are carried forward to a subsequent year may be taken as a credit in such subsequent years.

If the amount of the credit provided by this subdivision exceeds the taxpayer's liability for taxes pursuant to chapter 290 in the taxable year, *beginning after December 31, 1972*, in which the equipment is purchased, the excess amount may be carried forward to the four taxable years following the year of purchase. The entire amount of the credit not used in the year purchased shall be carried to the earliest of the four taxable years to which the credit may be carried and then to each of the three successive taxable years.

Sec. 2. Minnesota Statutes 1976, Section 290A.03, Subdivision 6, is amended to read:

Subd. 6. [HOMESTEAD.] "Homestead" means the dwelling occupied by a claimant as a place of residence and so much of the land surrounding it, not exceeding *one acre ten acres*, as is reasonably necessary for use of the dwelling as a home, except that this restriction shall not be applicable to agricultural land assessed as part of a homestead pursuant to section 273.13, subdivision 6. The homestead may be owned or rented and may be a part of a multi-dwelling or multi-purpose building and the land on which it is built. A mobile home, as defined in section 168.011, subdivision 8, assessed as personal property may be a dwelling for purposes of this subdivision.

Sec. 3. Minnesota Statutes, 1977 Supplement, Section 298.28, Subdivision 1, is amended to read:

298.28 [DIVISION AND DISTRIBUTION OF PROCEEDS.] Subdivision 1. The proceeds of the taxes collected under section 298.24, except the tax collected under section 298.24, subdivision 2, shall, upon certificate of the commissioner of revenue to the general fund of the state, be paid by the commissioner of revenue as follows:

(1) 2.5 cents per gross ton of merchantable iron ore concentrate, hereinafter referred to as "taxable ton", to the city or town in which the lands from which taconite was mined or quarried were located or within which the concentrate was produced. If the mining, quarrying, and concentration, or different steps in either thereof are carried on in more than one taxing district, the commissioner shall apportion equitably the proceeds of the part of the tax going to cities and towns among such subdivisions upon the basis of attributing 40 percent of the proceeds

of the tax to the operation of mining or quarrying the taconite, and the remainder to the concentrating plant and to the processes of concentration, and with respect to each thereof giving due consideration to the relative extent of such operations performed in each such taxing district. His order making such apportionment shall be subject to review by the tax court of appeals at the instance of any of the interested taxing districts, in the same manner as other orders of the commissioner.

(2) 12.5 cents per taxable ton, *less any amount distributed under clause 8*, to the taconite municipal aid account in the apportionment fund of the state treasury, to be distributed as provided in section 298.282.

(3) 29 cents per taxable ton to school districts to be distributed as follows:

(a) 6 cents per taxable ton to the school districts in which the lands from which taconite was mined or quarried were located or within which the concentrate was produced. The commissioner shall follow the apportionment formula prescribed in clause (1).

(b) 23 cents per taxable ton, *less any amount distributed under part (c)*, shall be distributed to a group of school districts comprised of those school districts wherein the taconite was mined or quarried or the concentrate produced or in which there is a qualifying municipality as defined by section 273.134 or in which is located property which is entitled to the reduction of tax pursuant to section 273.135, subdivision 2, clause (c). The 23 cents, *less any amount distributed under part (c)*, shall be distributed in direct proportion to school district tax levies as follows: each district shall receive that portion of the total distribution which its permitted levy for the prior year, computed pursuant to section 275.125, comprises of the sum of permitted levies for the prior year for all qualifying districts, computed pursuant to section 275.125. That portion of the amount so distributed to a school district which is not deducted from state aids in section 124.212, subdivision 8a, shall be included in computing the permissible levies under section 275.125. For purposes of distributions pursuant to this part, permitted levies for the prior year computed pursuant to section 275.125 shall not include the amount of any increased levy authorized by referendum pursuant to section 275.125, subdivision 2a, clause (4).

(c) There shall be distributed to any school district the amount which the school district was entitled to receive under section 298.32 in 1975.

(4) 19.5 cents per taxable ton to counties to be distributed as follows:

(a) 15.5 cents per taxable ton shall be distributed to the county in which the taconite is mined or quarried or in which the concentrate is produced, *less any amount which is to be distributed pursuant to part (b)*. The commissioner shall follow the apportionment formula prescribed in clause (1).

(b) If an electric power plant owned by and providing the primary source of power for a taxpayer mining and concentrating taconite is located in a county other than the county in which the mining and the concentrating processes are conducted, one cent per taxable ton of the tax distributed to the counties pursuant to part (a) and imposed on and collected from such taxpayer shall be distributed by the commissioner of revenue to the county in which the power plant is located.

(c) 4 cents per taxable ton shall be paid to the county from which the taconite was mined, quarried or concentrated to be deposited in the county road and bridge fund. If the mining, quarrying and concentrating, or separate steps in any of those processes are carried on in more than one county, the commissioner shall follow the apportionment formula prescribed in clause (1).

(5) (a) 25.75 cents per taxable ton, less any amount required to be distributed under part (b), to the taconite property tax relief account in the apportionment fund in the state treasury, to be distributed as provided in sections 273.134 to 273.136.

(b) If an electric power plant owned by and providing the primary source of power for a taxpayer mining and concentrating taconite is located in a county other than the county in which the mining and the concentrating processes are conducted, .75 cent per taxable ton of the tax imposed and collected from such taxpayer shall be distributed by the commissioner of revenue to the county and school district in which the power plant is located as follows: 25 percent to the county and 75 percent to the school district.

(6) 1 cent per taxable ton to the state.

(7) 3 cents per taxable ton shall be deposited in the state treasury to the credit of the iron range resources and rehabilitation board account in the special revenue fund for the purposes of section 298.22. Of this amount, one cent per taxable ton is to be used to provide environmental development grants to local governments located within any county in region 3 as defined in governor's executive order number 60 issued on June 12, 1970, which does not contain a municipality qualifying pursuant to section 273.134.

(8) .20 cent per taxable ton shall be paid in 1979 and each year thereafter, to the range association of municipalities and schools, for the purpose of providing an area wide approach to problems which demand coordinated and cooperative actions and which are common to those areas of northeast Minnesota affected by operations involved in mining iron ore and taconite and producing concentrate therefrom, and for the purpose of promoting the general welfare and economic development of the cities, towns and school districts within the iron range area of northeast Minnesota.

~~(8)~~ (9) the amounts determined under clauses (4) (a), (4) (c),

and (5) shall be increased in 1979 and subsequent years in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1.

~~(9)~~ (10) the proceeds of the tax imposed by section 298.24 which remain after the distributions in clauses (1) to ~~(8)~~ (9) and parts (a), (b), (c), and (d) of this clause have been made shall be divided between the taconite environmental protection fund created in section 298.223 and the northeast Minnesota economic protection fund created in section 298.292 as follows: In 1978, 1979, 1980, 1981, and 1982, two-thirds to the taconite environmental protection fund and one-third to the northeast Minnesota economic protection fund; in 1983 and thereafter, one-half to each fund. The proceeds shall be placed in the respective special accounts in the general fund.

(a) In 1978 and each year thereafter, there shall be distributed to each city, town, school district, and county the amount that they received under section 294.26 in calendar year 1977.

(b) In 1978 and each year thereafter, there shall be distributed to the iron range resources and rehabilitation board the amounts it received in 1977 under section 298.22.

(c) In 1978 and each year thereafter, \$50,000 shall be distributed to the department of revenue for auditing and enforcing the production tax imposed by Laws 1977, Chapter 423, Article 10.

(d) In 1978 and 1979, \$150,000 shall be distributed to the department of revenue for the purpose of administering section 298.48. In 1980 and each year thereafter, \$100,000 shall be distributed to the department of revenue. On or before October 10 of each calendar year each producer of taconite or iron sulphides subject to taxation under section 298.24 (hereinafter called "taxpayer") shall file with the commissioner of revenue and with the county auditor of each county in which such taxpayer operates, and with the chief clerical officer of each school district, city or town which is entitled to participate in the distribution of the tax, an estimate of the amount of tax which would be payable by such taxpayer under said law for such calendar year; provided such estimate shall be in an amount not less than the amount due on the mining and production of concentrates up to September 30 of said year plus the amount becoming due because of probable production between September 30 and December 31 of said year, less any credit allowable as hereinafter provided. Such estimate shall list the taxing districts entitled to participate in the distribution of such tax, and the amount of the estimated tax which would be distributable to each such district in the next ensuing calendar year on the basis of the last percentage distribution certified by the commissioner of revenue. If there be no such prior certification, the taxpayer shall set forth its estimate of the proper distribution of such tax under the law, which estimate may be corrected by the commissioner if he deems it improper, notice of such correction being given by him to the taxpayer and the public officers receiving such estimate.

The officers with whom such report is so filed shall use the amount so indicated as being distributable to each taxing district in computing the permissible tax levy of such county, city or school district in the year in which such estimate is made, and payable in the next ensuing calendar year, except that in 1978 and 1979 two cents per taxable ton, and in 1980 and thereafter, one cent per taxable ton of the amount distributed under clause (4)(c) shall not be deducted in calculating the permissible levy. Such taxpayer shall then pay, at the times payments are required to be made pursuant to section 298.27, as the amount of tax payable under section 298.24, the greater of (a) the amount shown by such estimate, or (b) the amount due under said section as finally determined by the commissioner of revenue pursuant to law. If, as a result of the payment of the amount of such estimate, the taxpayer has paid in any calendar year an amount of tax in excess of the amount due in such year under section 298.24, after application of credits for any excess payments made in previous years, all as determined by the commissioner of revenue, the taxpayer shall be given credit for such excess amount against any taxes which, under said section, may become due from the taxpayer in subsequent years. In any calendar year in which a general property tax levy subject to sections 275.125 or 275.50 to 275.59 has been made, if the taxes distributable to any such county, city or school district are greater than the amount estimated to be paid to any such county, city or school district in such year, the excess of such distribution shall be held in a special fund by the county, city or school district and shall not be expended until the succeeding calendar year, and shall be included in computing the permissible levies under sections 275.125 or 275.50 to 275.59, of such county, city or school district payable in such year. If the amounts distributable to any such county, city or school district, after final determination by the commissioner of revenue under this section are less than the amounts indicated by such estimates, such county, city or school district may issue certificates of indebtedness in the amount of the shortage, and may include in its next tax levy, in excess of the limitations of sections 275.125 or 275.50 to 275.59 an amount sufficient to pay such certificates of indebtedness and interest thereon, or, if no certificates were issued, an amount equal to such shortage.

There is hereby annually appropriated to such taxing districts as are stated herein, to the taconite property tax relief account and to the taconite municipal aid account in the apportionment fund in the state treasury, to the department of revenue, to the iron range resources and rehabilitation board, to the range association of municipalities and schools, to the taconite environmental protection fund, and to the northeast Minnesota economic protection fund, from any fund or account in the state treasury to which the money was credited, an amount sufficient to make the payment or transfer. The payment of the amount appropriated to such taxing districts shall be made by the commissioner of revenue on or before May 15 annually.

Sec. 4. Minnesota Statutes, 1977 Supplement, Section 298.293, is amended to read:

298.293 [DECLARATION OF EMERGENCY; EXPENDING FUNDS.] The funds provided by section 298.28, subdivision 1, clause (9), relating to the northeast Minnesota economic protection fund shall not be expended prior to (a) a declaration by the governor to the effect that the economic situation of northeast Minnesota requires remedial action by the legislature as a result of a decline in mineral-related activities, and (b) an appropriation of the funds by the legislature. The governor shall recommend to the legislature those measures that he believes will be appropriate in order to accomplish the purpose of his declaration. The funds provided by this fund may be spent only in those areas that are tax relief areas as defined in section 273.134. The funds provided by section 298.28, subdivision 1, clause (9), for this fund shall not be expended for this purpose prior to January 1, 2002. *If during any year the taconite property tax account under sections 273.134 to 273.136 does not contain sufficient funds to pay the property tax relief specified, there is appropriated from this fund to the relief account sufficient funds to pay the relief specified in sections 273.134 to 273.136.*

Sec. 5. [EFFECTIVE DATE.] *Section 1 is effective for taxable years beginning after December 31, 1973. Section 2 is effective for claims based on rent paid in 1978 and subsequent years and property taxes payable in 1979 and subsequent years. Section 3 is effective July 1, 1978."*

Amend the title as follows:

Page 1, line 2, strike "conforming deductions for"

Page 1, strike lines 3 to 16 and insert "increasing low income credits; eliminating the sales tax on newsprint and ink; repealing the employer's excise tax; increasing personal credits; providing additional personal credits for blind dependent and for homemakers; reducing certain income tax rates; exempting from income taxation amounts realized as federal tax credits for educational expenses; exempting from property taxation a portion of increased value of major electric generating facilities; providing for retroactive carryforward of feedlot pollution control credit; increasing the size of a homestead qualifying for property tax refund; providing for distribution of taconite production tax to the range association of municipalities and schools; providing funds for taconite property tax relief account; appropriating money; amending Minnesota Statutes 1976, Sections 290.06, Subdivision 3d, and by adding subdivisions; 290A.03, Subdivision 6; 297A.14; 297A.25, Subdivision 1; and Minnesota Statutes, 1977 Supplement, Sections 290.01, Subdivision 20; 290.06, Subdivisions 2c, 3c, and 9a; 298.28, Subdivision 1; and 298.293; repealing Minnesota Statutes 1976, Section 290.031, Subdivisions 1, 2, 3, 5, and 6; 290.06, Subdivisions 3a and 3b; 290.921; and 290.922; and Minnesota Statutes, 1977 Supplement, Section 290.031, Subdivision 4."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Coleman from the Subcommittee on Bill Scheduling to which were referred S. F. Nos. 1954, 2193, 1900, 1850, 1772, 2294, 2281, 2152, 1648, 1861, 2003, 2143, 2361, 1804, 2139, 2041, 2348, 1836, 2274, 2372, 1871, 1273, 1529, 1948, 2204, 1644, 2105, 1770, 1590, 2316, 2076, 1663, 2355, 2356, 2082, 1918, 633, 1983, 2181, 507, 1364, 2081, 2075, 2251, 1543, 1623, 1450, 1427 and H. F. Nos. 1119, 1225, 1966, 1612 makes the following report:

That S. F. Nos. 1954, 2193, 1900, 1850, 1772, 2294, 2281, 2152, 1648, 1861, 2003, 2143, 2361, 1804, 2139, 2041, 2348, 1836, 2274, 2372, 1871, 1273, 1529, 1948, 2204, 1644, 2105, 1770, 1590, 2316, 2076, 1663, 2355, 2356, 2082, 1918, 633, 1983, 2181, 507, 1364, 2081, 2075, 2251, 1543, 1623, 1450, 1427 and H. F. Nos. 1119, 1225, 1966, 1612 be placed on the General Orders Calendar in the order indicated.

That there were no other bills before the Subcommittee on which floor action was requested. Report adopted.

SECOND READING OF SENATE BILLS

S. F. Nos. 1884 and 2051 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. McCutcheon moved that S. F. No. 1277 be withdrawn from the Committee on Rules and Administration, be given a second reading and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Vega moved that the name of Mr. Engler be stricken as co-author and Mr. Frederick be added as co-author to S. F. No. 1577. The motion prevailed.

Without objection, the Senate reverted to the Order of Business of Second Reading of Senate Bills.

SECOND READING OF SENATE BILLS

S. F. No. 1277 was read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Merriam moved that H. F. No. 2466 be withdrawn from the Committee on Judiciary and re-referred to the Committee on Rules and Administration for comparison with S. F. No. 2274 now on General Orders. The motion prevailed.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 2494 a Special Order to be heard immediately.

H. F. No. 2494: A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state building bonds; authorizing university of Minnesota to participate in shade tree disease control program; limiting capital improvements at vocational-technical schools; appropriating money; amending Minnesota Statutes 1976, Sections 121.21, Subdivision 4a; 121.214, Subdivisions 1, 3, and 4; 124.564; and Minnesota Statutes, 1977 Supplement, Section 18.023, Subdivisions 1 and 3a.

Mr. Kirchner moved to amend H. F. No. 2494, as amended pursuant to Rule 49, adopted by the Senate March 8, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 2371.)

Page 2, line 16, strike "101,976" and insert "50,101,976"

Page 2, line 17, strike "100,602,211" and insert "50,602,211"

Page 16, line 4, strike "\$100,605,000" and insert "\$50,605,000"

Page 16, line 5, strike "b" and insert "by"

Page 16, line 6, before the period, insert ", and \$50,000,000 shall be provided from the general fund"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 24 and nays 37, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Keefe, J.	Ogdahl	Solon
Bang	Engler	Kirchner	Olhoff	Strand
Bernhagen	Frederick	Knaak	Pillsbury	Ueland, A.
Brataas	Gunderson	Knutson	Sieloff	Ulland, J.
Davies	Jensen	Menning	Sillers	

Those who voted in the negative were:

Anderson	Hanson	Luther	Peterson	Stumpf
Benedict	Hughes	McCutcheon	Purfeerst	Tennessen
Borden	Humphrey	Merriam	Schmitz	Vega
Chenoweth	Johnson	Moe	Schrom	Wegener
Chmielewski	Kleinbaum	Nelson	Setzepfandt	Willet
Coleman	Knoll	Nichols	Spear	
Dieterich	Laufenburger	Penny	Staples	
Gearty	Lessard	Perpich	Stokowski	

The motion did not prevail. So the amendment was not adopted.

H. F. No. 2494 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 66 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Penny	Staples
Ashbach	Gearty	Laufenburger	Perpich	Stokowski
Bang	Gunderson	Lessard	Peterson	Strand
Benedict	Hanson	Lewis	Pillsbury	Stumpf
Bernhagen	Hughes	Luther	Purfeerst	Tennessee
Borden	Humphrey	McCutcheon	Renneke	Ueland, A.
Brataas	Jensen	Menning	Schmitz	Ulland, J.
Chenoweth	Johnson	Merriam	Schrom	Vega
Chmielewski	Keefe, J.	Moe	Setzepfandt	Wegener
Coleman	Keefe, S.	Nelson	Sieloff	Willet
Davies	Kirchner	Nichols	Sikorski	
Dieterich	Kleinbaum	Ogdahl	Sillers	
Dunn	Knaak	Olhoft	Solon	
Engler	Knoll	Olson	Spear	

So the bill passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 2143 a Special Order to be heard immediately.

S. F. No. 2143: A bill for an act relating to family planning services; providing for special grants for family planning services; appropriating money; amending Minnesota Statutes 1976, Section 145.922, by adding a subdivision; and Chapter 145, by adding a section.

CALL OF THE SENATE

Mr. Perpich imposed a call of the Senate on the balance of the proceedings on S. F. No. 2143. The following Senators answered to their names:

Anderson	Engler	Kirchner	Merriam	Schaaf
Bang	Frederick	Kleinbaum	Moe	Sieloff
Benedict	Gearty	Knaak	Nelson	Sikorski
Bernhagen	Gunderson	Knoll	Ogdahl	Solon
Chenoweth	Hanson	Knutson	Olhoft	Spear
Chmielewski	Hughes	Lessard	Penny	Stumpf
Coleman	Humphrey	Lewis	Perpich	Ueland, A.
Davies	Jensen	Luther	Peterson	Ulland, J.
Dieterich	Keefe, J.	McCutcheon	Purfeerst	Vega
Dunn	Keefe, S.	Menning	Renneke	Wegener

The Sergeant at Arms was instructed to bring in the absent members.

Mr. Willet moved to amend S. F. No. 2143 as follows:

Page 2, line 26, after the period, insert: *"In the case of an unmarried person under the age of 17, the provisions of subdivision 4 shall apply."*

Page 2, after line 26, insert:

"Subd. 4. Prior to providing any drug, medical preparation or contraceptive device to any unmarried person under the age of 17 years, every agency, entity, or individual providing family planning services and receiving funds through the provisions of this act shall notify such minor's parents or legal guardian of such action."

unless such minor is emancipated from the parent or legal guardian."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 32 and nays 33, as follows:

Those who voted in the affirmative were:

Bernhagen	Hughes	Menning	Schmitz	Ueland, A.
Chenoweth	Kleinbaum	Merriam	Schrom	Vega
Chmielewski	Knaak	Olhoft	Setzepfandt	Wegener
Dunn	Knutson	Olson	Sieloff	Willet
Engler	Laufenburger	Penny	Solon	
Frederick	Lessard	Purfeerst	Stokowski	
Gearty	McCutcheon	Renneke	Stumpf	

Those who voted in the negative were:

Anderson	Davies	Keefe, S.	Nichols	Spear
Ashbach	Dieterich	Kirchner	Ogdahl	Staples
Bang	Gunderson	Knoll	Perpich	Strand
Benedict	Hanson	Lewis	Peterson	Tennessee
Borden	Humphrey	Luther	Pillsbury	Ulland, J.
Brataas	Jensen	Moe	Schaaf	
Coleman	Johnson	Nelson	Sikorski	

The motion did not prevail. So the amendment was not adopted.

Mr. Schaaf moved to amend S. F. No. 2143 as follows:

Page 1, line 16, after the period, insert *"The plan submitted to the commissioner shall include the amount of money spent by the applicant for family planning services in the previous year. The applicant must agree not to reduce its expenditures for family planning services below the level in the year prior to receiving a grant."*

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 41 and nays 17, as follows:

Those who voted in the affirmative were:

Bang	Frederick	Knoll	Olson	Spear
Benedict	Hanson	Lessard	Perpich	Stumpf
Bernhagen	Humphrey	Luther	Purfeerst	Ulland, J.
Borden	Johnson	McCutcheon	Schaaf	Vega
Brataas	Keefe, J.	Merriam	Setzepfandt	Wegener
Chenoweth	Keefe, S.	Nelson	Sieloff	
Coleman	Kirchner	Nichols	Sikorski	
Davies	Kleinbaum	Ogdahl	Sillers	
Dieterich	Knaak	Olhoft	Solon	

Those who voted in the negative were:

Dunn	Knutson	Moe	Schmitz	Willet
Engler	Laufenburger	Penny	Staples	
Gearty	Lewis	Pillsbury	Strand	
Jensen	Menning	Renneke	Ueland, A.	

The motion prevailed. So the amendment was adopted.

Mr. Olhoft moved to amend S. F. No. 2143 as follows:

Page 1, line 12, before the first "cities" insert "(1)"

Page 1, line 12, before "nonprofit" insert "hospitals licensed pursuant to sections 144.50 to 144.56, or (2) to"

Page 1, line 13, after "corporations" insert "which do not perform abortions,"

Page 1, line 14, after the period, insert "No grant recipient may contract for any family planning services with any nonprofit corporation or other organization, other than a licensed hospital, which performs abortions."

Mr. Dunn moved to amend the Olhoft amendment to S. F. No. 2143, as follows:

Line 6 of the Olhoft amendment, strike "or other organization"

The question was taken on the adoption of the Dunn amendment to the Olhoft amendment.

Mr. Lewis moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 26 and nays 39, as follows:

Those who voted in the affirmative were:

Anderson	Dieterich	Luther	Peterson	Tennessee
Ashbach	Dunn	Moe	Pillsbury	Ulland, J.
Benedict	Gunderson	Nelson	Sillers	
Brataas	Keefe, S.	Nichols	Spear	
Coleman	Kirchner	Ogdahl	Staples	
Davies	Lewis	Perpich	Strand	

Those who voted in the negative were:

Bang	Humphrey	Laufenburger	Purfeerst	Solon
Bernhagen	Jensen	Lessard	Renneke	Stokowski
Chenoweth	Johnson	McCutcheon	Schaaf	Stumpf
Chmielewski	Keefe, J.	Menning	Schmitz	Ueland, A.
Engler	Kleinbaum	Merriam	Schrom	Vega
Frederick	Knaak	Olhoft	Setzepfandt	Wegener
Gearty	Knoll	Olson	Sieloff	Willet
Hanson	Knutson	Penny	Sikorski	

The motion did not prevail. So the Dunn amendment to the Olhoft amendment was not adopted.

The question recurred on the Olhoft amendment.

The question was taken on the adoption of the amendment.

Mr. Coleman moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 33 and nays 33, as follows:

Those who voted in the affirmative were:

Bernhagen	Johnson	Menning	Schmitz	Stumpf
Chenoweth	Kleinbaum	Merriam	Schrom	Ueland, A.
Chmielewski	Knaak	Olhoft	Setzepfandt	Vega
Engler	Knutson	Olson	Sieloff	Wegener
Frederick	Laufenburger	Penny	Sikorski	Willet
Gearty	Lessard	Purfeerst	Solon	
Jensen	McCutcheon	Renneke	Stokowski	

Those who voted in the negative were:

Anderson	Davies	Keefe, S.	Nichols	Spear
Ashbach	Dieterich	Kirchner	Ogdahl	Staples
Bang	Dunn	Knoll	Perpich	Strand
Benedict	Gunderson	Lewis	Peterson	Tennessee
Borden	Hanson	Luther	Pillsbury	Ulland, J.
Brataas	Humphrey	Moe	SchAAF	
Coleman	Keefe, J.	Nelson	Sillers	

The motion did not prevail. So the amendment was not adopted.

Mr. Menning moved to amend S. F. No. 2143 as follows:

Page 2, line 26, after the period, insert: "*In the case of an unmarried person under the age of 17, the provisions of subdivision 4 shall apply.*"

Page 2, after line 26, insert:

"Subd. 4. Every agency, entity, or individual providing family planning services and receiving funds through the provisions of this act shall notify the parents or legal guardian of any minor under the age of 17 whenever the minor is provided with any drug, medical preparation, or contraceptive device, unless the minor is emancipated from the parents or legal guardian."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 28 and nays 35, as follows:

Those who voted in the affirmative were:

Bernhagen	Keefe, J.	Olhoft	Schrom	Ueland, A.
Chenoweth	Knaak	Olson	Setzepfandt	Vega
Chmielewski	Lessard	Penny	Sieloff	Wegener
Engler	McCutcheon	Purfeerst	Solon	Willet
Frederick	Menning	Renneke	Stokowski	
Gearty	Merriam	Schmitz	Stumpf	

Those who voted in the negative were:

Anderson	Dieterich	Kirchner	Nelson	Sikorski
Bang	Dunn	Knoll	Nichols	Sillers
Benedict	Hanson	Knutson	Ogdahl	Spear
Borden	Humphrey	Laufenburger	Perpich	Staples
Brataas	Jensen	Lewis	Peterson	Strand
Coleman	Johnson	Luther	Pillsbury	Tennessee
Davies	Keefe, S.	Moe	SchAAF	Ulland, J.

The motion did not prevail. So the amendment was not adopted.

RECONSIDERATION

Mr. Dunn moved that the vote whereby the Olhoft amendment to S. F. No. 2143 failed to pass by the Senate on March 9, 1978, be now reconsidered.

The question was taken on the adoption of the motion.

Mr. Olhoft moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 37 and nays 27, as follows:

Those who voted in the affirmative were:

Benedict	Humphrey	McCutcheon	Schrom	Stumpf
Bernhagen	Jensen	Manning	Setzepfandt	Ueland, A.
Chenoweth	Johnson	Olhoft	Sieloff	Vega
Chmielewski	Keefe, J.	Olson	Sikorski	Wegener
Dunn	Kleinbaum	Penny	Sillers	Willet
Engler	Knaak	Purfeerst	Solon	
Frederick	Knutson	Renneke	Stokowski	
Gearty	Lessard	Schmitz	Strand	

Those who voted in the negative were:

Anderson	Dieterich	Laufenburger	Ogdahl	Staples
Bang	Gunderson	Lewis	Perpich	Tennessee
Borden	Hanson	Luther	Peterson	Ulland, J.
Brataas	Keefe, S.	Moe	Pillsbury	
Coleman	Kirchner	Nelson	Schaaf	
Davies	Knoll	Nichols	Spear	

The motion prevailed. So the vote was reconsidered.

The question recurred on the Olhoft amendment.

Mr. Olhoft withdrew his amendment.

Mr. Olhoft then moved to amend S. F. No. 2143 as follows:

Page 1, line 12, before the first "cities" insert "(1)"

Page 1, line 12, before "nonprofit" insert "hospitals licensed pursuant to sections 144.50 to 144.56, or (2) to"

Page 1, line 13, after "corporations" insert "which do not perform abortions,"

Page 1, line 14, after the period, insert "No grant recipient may contract for any family planning services with any nonprofit corporation other than a licensed hospital, which performs abortions."

Mr. Keefe, S. requested division of the amendment as follows:

First portion:

Page 1, line 12, before the first "cities" insert "(1)"

Page 1, line 12, before "nonprofit" insert "hospitals licensed pursuant to sections 144.50 to 144.56, or (2) to"

Page 1, line 13, after "corporations" insert "which do not perform abortions,"

Second portion:

Page 1, line 14, after the period, insert "No grant recipient may contract for any family planning services with any nonprofit corporation other than a licensed hospital, which performs abortions."

The question was taken on the adoption of the first portion of the amendment.

The roll was called, and there were yeas 53 and nays 7, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Kleinbaum	Olhoff	Sillers
Ashbach	Frederick	Knaak	Olson	Stokowski
Bang	Gearty	Knoll	Penny	Strand
Benedict	Gunderson	Knutson	Peterson	Stumpf
Bernhagen	Hanson	Laufenburger	Purfeerst	Ueland, A.
Borden	Humphrey	Lessard	Renneke	Ulland, J.
Brataas	Jensen	Luther	Schmitz	Vega
Chenoweth	Johnson	McCutcheon	Schrom	Wegener
Chmielewski	Keefe, J.	Menning	Setzepfandt	Willet
Coleman	Keefe, S.	Merriam	Sieloff	
Dunn	Kirchner	Moe	Sikorski	

Those who voted in the negative were:

Dieterich	Ogdahl	Spear	Staples	Tennessee
Lewis	Pillsbury			

The motion prevailed. So the first portion of the amendment was adopted.

Mr. Sieloff moved to amend the second portion of the Olhoff amendment as follows:

In the last line of the second portion of the Olhoff amendment, after "hospital" insert "or licensed Health Maintenance Organization."

The motion prevailed. So the amendment to the amendment was adopted.

The question was taken on the adoption of the second portion of the amendment, as amended.

The roll was called, and there were yeas 37 and nays 27, as follows:

Those who voted in the affirmative were:

Bernhagen	Jensen	McCutcheon	Schrom	Stumpf
Chenoweth	Johnson	Menning	Setzepfandt	Ueland, A.
Chmielewski	Keefe, J.	Merriam	Sieloff	Vega
Dunn	Kleinbaum	Olhoff	Sikorski	Wegener
Engler	Knaak	Penny	Sillers	Willet
Frederick	Knutson	Purfeerst	Solon	
Gearty	Laufenburger	Renneke	Stokowski	
Humphrey	Lessard	Schmitz	Strand	

Those who voted in the negative were:

Ashbach	Borden	Davies	Hanson	Knoll
Bang	Brataas	Dieterich	Keefe, S.	Lewis
Benedict	Coleman	Gunderson	Kirchner	Luther

Moe
Nelson
Nichols

Ogdahl
Perpich
Peterson

Pillsbury
Schaaf

Spear
Staples

Tennessee
Ulland, J.

The motion prevailed. So the second portion of the amendment, as amended, was adopted.

Mrs. Staples moved that S. F. No. 2143 be laid on the table. The motion prevailed.

RECONSIDERATION

Mr. Benedict moved that the vote whereby S. F. No. 1594 failed to pass the Senate on March 9, 1978, be now reconsidered. The motion prevailed.

S. F. No. 1594: A bill for an act relating to education; pupils; requiring a school breakfast program in each district which is located within the cities of Duluth, Minneapolis, St. Paul and Bloomington.

Mr. Benedict moved to amend S. F. No. 1594, as amended by the Senate, March 9, 1978, as follows:

Strike everything after the enacting clause and insert:

"Section 1. By January 1, 1979, each school district in the state that is not participating in the National School Breakfast Program under the provisions of Public Law 94-105 shall report to the state commissioner of education the specific reasons why it is not participating in the program."

Amend the title as follows:

Line 2, delete "requiring a school"

Delete line 3 and insert "requiring a report from school districts not participating in the school breakfast program."

The motion prevailed. So the amendment was adopted.

Mr. Moe moved that S. F. No. 1594 be re-referred to the Committee on Finance.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 36 and nays 26, as follows:

Those who voted in the affirmative were:

Bang	Frederick	Laufenburger	Peterson	Tennessee
Bernhagen	Gunderson	Lessard	Pillsbury	Ueland, A.
Borden	Hanson	Menning	Purfeerst	Vega
Brataas	Keefe, J.	Moe	Renneke	Wegener
Coleman	Kirchner	Nelson	Setzepfandt	
Davies	Kleinbaum	Nichols	Sillers	
Dunn	Knaak	Ogdahl	Solon	
Engler	Knutson	Penny	Strand	

Those who voted in the negative were:

Benedict	Johnson	Olhoff	Sieloff	Ulland, J.
Chenoweth	Keefe, S.	Olson	Sikorski	Willet
Chmielewski	Lewis	Perpich	Spear	
Dieterich	Luther	Schaaf	Staples	
Gearty	McCutcheon	Schmitz	Stokowski	
Humphrey	Merriam	Schrom	Stumpf	

The motion prevailed.

Without objection, the Senate reverted to the Order of Business of Introduction and First Reading of Senate Bills.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bill was read the first time and referred to the committee indicated.

Mr. Sieloff introduced—

S. F. No. 2398: A bill for an act relating to retirement; granting an election as to coverage to a certain member of the public employees retirement association.

Referred to the Committee on Governmental Operations.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Benedict moved that H. F. No. 2066 be withdrawn from the Committee on Commerce and re-referred to the Committee on Rules and Administration for comparison with S. F. No. 1900 now on General Orders. The motion prevailed.

Mr. Coleman moved that the Senate do now adjourn until 11:30 o'clock a.m., Friday, March 10, 1978. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

EIGHTY-EIGHTH DAY

St. Paul, Minnesota, Friday, March 10, 1978

The Senate met at 11:30 o'clock a.m. and was called to order by the President.

CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate. The following Senators answered to their names:

Anderson	Frederick	Merriam	Schmitz	Stumpf
Ashbach	Gearty	Moe	Schrom	Tennessee
Bang	Hanson	Nelson	Setzepfandt	Ueland, A.
Benedict	Hughes	Ogdahl	Sieloff	Vega
Bernhagen	Keefe, S.	Olhoft	Sikorski	Wegener
Chmielewski	Kleinbaum	Penny	Solon	Willett
Coleman	Lewis	Peterson	Spear	
Davies	McCutcheon	Pillsbury	Stokowski	
Dieterich	Menning	Purfeerst	Strand	

The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Dave Schneider.

The roll was called, and the following Senators answered to their names:

Anderson	Engler	Knutson	Olson	Solon
Ashbach	Frederick	Laufenburger	Penny	Spear
Bang	Gearty	Lessard	Peterson	Staples
Benedict	Gunderson	Lewis	Pillsbury	Stokowski
Bernhagen	Hanson	Luther	Purfeerst	Strand
Borden	Hughes	McCutcheon	Renneke	Stumpf
Brataas	Johnson	Menning	Schaaf	Tennessee
Chenoweth	Keefe, J.	Merriam	Schmitz	Ueland, A.
Chmielewski	Keefe, S.	Moe	Schrom	Ulland, J.
Coleman	Kirchner	Nelson	Setzepfandt	Vega
Davies	Kleinbaum	Nichols	Sieloff	Wegener
Dieterich	Knaak	Ogdahl	Sikorski	Willett
Dunn	Knoll	Olhoft	Sillers	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

MEMBERS EXCUSED

Mr. Humphrey was excused from the Session of today.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

March 9, 1978

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

I have the honor to inform you that I have received, approved, signed, and deposited in the Office of the Secretary of State, S. F. Nos. 265, 1613, 1637, 1698, 1787, and 1802.

Sincerely,

Rudy Perpich, Governor

March 9, 1978

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1978 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S. F. No.	H. F. No.	Session Laws Chapter No.	Date Approved 1978	Date Filed 1978
	356	470	March 9	March 9
	1860	471	March 9	March 9
	1879	472	March 9	March 9
	1882	473	March 9	March 9
265		474	March 9	March 9
1613		475	March 9	March 9
1637		476	March 9	March 9
1698		477	March 9	March 9
1787		478	March 9	March 9
1802		479	March 9	March 9

Sincerely,

Joan Anderson Growe

Secretary of State

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Mr. Strand introduced—

S. F. No. 2399: A bill for an act relating to public utilities; routing of high voltage transmission lines; amending Minnesota Statutes, 1977 Supplement, Section 116C.57, Subdivision 4.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Renneke, Hughes, Purfeerst, Setzepfandt and Ueland, A. introduced—

S. F. No. 2400: A bill for an act relating to education; appropriating money to the Minnesota historical society for an interpretive center at Traverse des Sioux.

Referred to the Committee on Agriculture and Natural Resources.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S. F. Nos. 478, 1754 and 1951.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned March 9, 1978

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. 1206: A bill for an act relating to aircraft; clarifying compulsory insurance requirements; requiring maintenance of liability coverage only during periods of contemplated aircraft use or operation; amending Minnesota Statutes 1976, Section 360.59, Subdivision 10.

Senate File No. 1206 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned March 9, 1978

CONCURRENCE AND REPASSAGE

Mr. Ashbach moved that the Senate concur in the amendments by the House to S. F. No. 1206 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1206: A bill for an act relating to aircraft; clarifying compulsory insurance requirements; requiring maintenance of

liability coverage only during periods of contemplated aircraft operation; setting forth the registration procedure for pioneer aircraft; amending Minnesota Statutes 1976, Sections 360.59, Subdivision 10 and 360.55, by adding a subdivision.

Was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Laufenburger	Penny	Staples
Anderson	Gearty	Lessard	Peterson	Strand
Bang	Gunderson	Lewis	Pillsbury	Stumpf
Benedict	Hanson	Luther	Purfeerst	Tennessee
Bernhagen	Hughes	McCutcheon	Renneke	Ueland, A.
Brataas	Johnson	Menning	Schmitz	Ulland, J.
Chmielewski	Keefe, S.	Merriam	Schrom	Vega
Coleman	Kirchner	Moe	Setzepfandt	Wegener
Davies	Kleinbaum	Nelson	Sieloff	Willet
Dieterich	Knaak	Nichols	Sikorski	
Dunn	Knoll	Ogdahl	Solon	
Engler	Knutson	Olhoft	Spear	

So the bill, as amended, was repassed and its title was agreed to.

MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1607: A bill for an act relating to occupational safety and health; children under 16 not to be employed in occupations or places potentially injurious; amending Minnesota Statutes 1976, Section 182.09.

Senate File No. 1607 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 9, 1978

CONCURRENCE AND REPASSAGE

Mr. Davies moved that the Senate concur in the amendments by the House to S. F. No. 1607 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1607: A bill for an act relating to occupational safety and health; children under 16 not to be employed in occupations or places potentially injurious; repealing Minnesota Statutes 1976, Section 182.09.

Was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Laufenburger	Olson	Solon
Ashbach	Gearty	Lessard	Penny	Spear
Bang	Gunderson	Lewis	Peterson	Staples
Benedict	Hanson	Luther	Pillsbury	Stokowski
Bernhagen	Hughes	McCutcheon	Purfeerst	Strand
Brataas	Johnson	Menning	Renneke	Stumpf
Chmielewski	Keefe, S.	Merriam	Schaaf	Tennessee
Coleman	Kirchner	Moe	Schmitz	Ueland, A.
Davies	Kleinbaum	Nelson	Schrom	Ulland, J.
Dieterich	Knaak	Nichols	Setzepfandt	Vega
Dunn	Knoll	Ogdahl	Sieloff	Wegener
Engler	Knutson	Olhoff	Sikorski	Willet

So the bill, as amended, was repassed and its title was agreed to.

MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1955: A bill for an act relating to transportation construction contracts; defining the term "small business"; amending Minnesota Statutes, 1977 Supplement, Section 161.321, Subdivision 1.

Senate File No. 1955 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 9, 1978

CONCURRENCE AND REPASSAGE

Mr. Knoll moved that the Senate concur in the amendments by the House to S. F. No. 1955 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1955 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Laufenburger	Olson	Solon
Ashbach	Gearty	Lessard	Penny	Spear
Bang	Gunderson	Lewis	Peterson	Staples
Benedict	Hanson	Luther	Pillsbury	Stokowski
Bernhagen	Hughes	McCutcheon	Purfeerst	Strand
Brataas	Johnson	Menning	Renneke	Stumpf
Chmielewski	Keefe, S.	Merriam	Schaaf	Tennessee
Coleman	Kirchner	Moe	Schmitz	Ueland, A.
Davies	Kleinbaum	Nelson	Schrom	Ulland, J.
Dieterich	Knaak	Nichols	Setzepfandt	Vega
Dunn	Knoll	Ogdahl	Sieloff	Wegener
Engler	Knutson	Olhoff	Sikorski	Willet

So the bill, as amended, was repassed and its title was agreed to.

MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1643: A bill for an act relating to agriculture; corn detasseling employees; providing minimum labor standards; amending Minnesota Statutes 1976, Chapter 181, by adding sections.

Senate File No. 1643 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 9, 1978

Mr. Sikorski moved that the Senate do not concur in the amendments by the House to S. F. No. 1643 and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1323.

H. F. No. 1323: A bill for an act relating to education; higher education coordinating board; private post-secondary institutions; exempting certain institutions from the requirement of registration with the board; amending Minnesota Statutes 1976, Sections 136A.61; 136A.62, Subdivision 3; and Chapter 136A, by adding sections.

And the House respectfully requests that a Conference Committee of three members be appointed thereon:

Cohen, Cummiskey and Rose have been appointed as such committee on the part of the House.

House File No. 1323 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted March 9, 1978

Mr. Hughes moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1323, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in Senate amendments to House File No. 2493.

H. F. No. 2493: A bill for an act relating to public improvements; authorizing alteration, repair, rehabilitation, equipping, and replacement of equipment of public buildings with certain conditions; postponing deadline for submission of capital budget; authorizing purchase and sale of public lands and buildings; appropriating money; amending Minnesota Statutes 1976, Section 16A.11, Subdivision 1.

And the House respectfully requests that a Conference Committee of five members be appointed thereon:

Norton, Samuelson, Faricy, Voss and Forsythe have been appointed as such committee on the part of the House.

House File No. 2493 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted March 9, 1978

Mr. Moe moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 2493, and that a Conference Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 2494.

H. F. No. 2494: A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land

and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state building bonds; limiting capital improvements at vocational-technical schools; appropriating money; amending Minnesota Statutes 1976, Sections 121.21, Subdivision 4a; 121.214, Subdivisions 1, 3, and by adding a subdivision; 124.564; repealing Minnesota Statutes, 1977 Supplement, Sections 16.015 and 16.016.

And the House respectfully requests that a Conference Committee of five members be appointed thereon:

Norton, Samuelson, Faricy, Voss and Forsythe have been appointed as such committee on the part of the House.

House File No. 2494 is herewith transmitted to the Senate with the request that the Senate appoint a like Committee.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted March 9, 1978

Mr. Moe moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 2494, and that a Conference Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 1513, 1783, 1861, 1977, 499, 1898, 582 and 2041.

Edward A. Burdick, Chief Clerk, House of Representatives

FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H. F. No. 1513: A bill for an act relating to contracts; distributing partial payments to construction subcontractors or material suppliers.

Referred to the Committee on Commerce.

H. F. No. 1783: A bill for an act relating to the city of Brainerd; service credit in the public employees police and fire fund for the fire chief therein.

Referred to the Committee on Governmental Operations.

H. F. No. 1861: A bill for an act relating to retirement; miscellaneous amendments to the public employees retirement law; amending Minnesota Statutes 1976, Sections 353.01, Subdivisions 12, 16, and 20; 353.017, Subdivision 2; 353.30, by adding a sub-

division; 353.31, Subdivision 1; 353.32, Subdivisions 5 and 9; 353.33, Subdivision 11; 353.34, Subdivision 6; 353.656, Subdivision 6; 353.657, Subdivision 1; 354.41, by adding a subdivision; 356.32, Subdivision 1; Minnesota Statutes, 1977 Supplement, Sections 353.01, Subdivision 2b; 353.36, Subdivision 2; and 354.41, Subdivision 6; repealing Minnesota Statutes, 1977 Supplement, Section 353.32, Subdivision 7.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1654 now in the Subcommittee on Bill Scheduling.

H. F. No. 1977: A bill for an act relating to marijuana; retroactively reducing past convictions involving a small amount of marijuana to a petty misdemeanor; amending Minnesota Statutes 1976, Section 152.18, by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1946 now on General Orders.

H. F. No. 499: A bill for an act relating to insurance; permitting employees to opt for lower benefits provided by certain group insurance contracts; amending Minnesota Statutes, 1977 Supplement, Section 471.616, Subdivision 1.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 2044 now in the Subcommittee on Bill Scheduling.

H. F. No. 1898: A bill for an act relating to public employment; the state civil service; providing on-the-job trial work experiences and noncompetitive appointment procedures for certain severely handicapped persons; amending Minnesota Statutes 1976, Section 43.20, by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1764 now on General Orders.

H. F. No. 582: A bill for an act relating to human rights; specifying medical standards for employment and bona fide occupational qualifications; amending Minnesota Statutes, 1977 Supplement, Section 363.03, Subdivision 1.

Referred to the Committee on Employment.

H. F. No. 2041: A bill for an act relating to labor and employment; prohibiting mandatory retirement of public or private employees; rights and remedies of employees; amending Minnesota Statutes 1976, Sections 356.32; 422A.13, Subdivision 2; 423.075, Subdivision 1; 473.606, Subdivision 5; and Chapter 181, by adding a section; and Minnesota Statutes, 1977 Supplement, Section 363.02, Subdivision 6; repealing Minnesota Statutes 1976, Sections 125.12, Subdivision 5; 163.07, Subdivision 2a; 352B.075; 354A.21; and 423.26; and Minnesota Statutes, 1977 Supplement, Sections 43.051, Subdivisions 1, 2 and 4; and 354.44, Subdivision 1a.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 2000 now in the Subcommittee on Bill Scheduling.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred

H. F. No. 1981: A bill for an act relating to natural resources; informal sales of state timber; removing the requirement of a certain affidavit; amending Minnesota Statutes 1976, Section 90.191, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1976, Section 90.151, Subdivision 1, is amended to read:

90.151 [PERMITS TO CUT AND REMOVE TIMBER SOLD AT PUBLIC AUCTION.] Subdivision 1. Following receipt of the down payment for state timber sold at public auction, the commissioner shall issue a numbered permit to the purchaser, in a form approved by the attorney general, by the terms of which he shall be authorized to enter upon the land, and to cut and remove the timber therein described, according to the provisions of this chapter. The permit shall be correctly dated and executed by the commissioner or his agent and signed by the purchaser. The permit shall expire no later than two years after the date of sale as the commissioner shall specify, and the timber shall be cut within the time specified therein. All cut timber, equipment, and buildings not removed from the land within 90 days after expiration of the permit shall become the property of the state. The commissioner may grant an additional period of time not to exceed 120 days for the removal of cut timber, equipment, and buildings upon receipt of such request by the permit holder for good and sufficient reasons. *The commissioner may grant a second period of time not to exceed 120 days for the removal of cut timber, equipment and buildings upon receipt of such request by the permit holder for hardship reasons only.* No permit shall be issued to any person other than the purchaser in whose name the bid was made."

Page 1, line 8, strike "Section 1" and insert "Sec. 2"

Page 1, after line 21, insert:

"Sec. 3. Minnesota Statutes 1976, Section 90.191, Subdivision 2, is amended to read:

Subd. 2. Upon receipt of payment for the full appraised value, the commissioner may issue a permit to cut such timber within one year from the date of sale under such supervision and provi-

sions as the commissioner shall deem advisable. If the purchaser for good and sufficient reason is unable to cut the timber within the one-year period, an extension of time may be granted by the commissioner. Only one extension shall be granted and the extension shall not exceed one year. All cut timber, equipment, and buildings not removed from the land within 90 days after expiration of the permit shall become the property of the state. The commissioner of natural resources may grant an additional period of time not to exceed 120 days for the removal of cut timber, equipment, and buildings upon receipt of such request by the permit holder for good and sufficient reasons. *The commissioner may grant a second period of time not to exceed 120 days for the removal of cut timber, equipment and buildings upon receipt of such request by the permit holder for hardship reasons only.*"

Renumber the sections in sequence

Amend the title as follows:

Line 2, after the semicolon insert

"authorizing the commissioner of natural resources to grant a second extension of time for removal of cut timber, equipment and buildings for hardship reasons;"

Line 5, strike "Section" and insert "Sections 90.151, Subdivision 1;"

Line 5, strike "Subdivision" and insert "Subdivisions"

Line 5, after "1" insert "and 2"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred

H. F. No. 1661: A bill for an act relating to pollution control; providing for publication in the state register of certain behind schedule and substandard wastewater treatment projects.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 8, after "1." insert

"At the regularly scheduled meeting of the pollution control agency in January of each year, the agency shall consider a draft list of any principal consulting engineer, contracting engineer or principal contractor for a wastewater treatment project which, due to failures of design or workmanship, or other factors within the reasonable control of the contractor or engineer, the agency determines is either more than 90 days behind schedule or does not accomplish the purpose for which it was designed or constructed. At least 30 days prior to the January meeting the agency shall mail notice to any person whose name appears on the draft list. After the agency considers the draft list in January, any person adversely affected may request to be heard at a regularly

scheduled meeting of the agency. At the regularly scheduled meeting of the agency in March of each year, the agency shall issue an order incorporating a list of engineers or contractors responsible for delinquent or substandard projects. Any person adversely affected by the agency's order has the right of judicial review pursuant to section 15.0424."

Page 1, line 8, strike "July" and insert "April"

Page 1, strike lines 10 to 17

Page 1, line 18, strike "days behind schedule" and insert "the list determined pursuant to this section"

Page 1, strike line 19

Page 1, line 20, strike "and contracting engineers and principal contractors," and insert "also include"

Page 2, line 2, strike "An explanatory note may accompany each"

Page 2, strike lines 3 to 5

Page 2, after line 5, insert

"Sec. 2. This act shall expire January 1, 1985."

And when so amended the bill do pass. Amendments adopted.
Report adopted.

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred

H. F. No. 2087: A bill for an act relating to the adoption of rules concerning the process and procedures for designating power plant sites and transmission line routes; amending Minnesota Statutes, 1977 Supplement, Sections 116C.645 and 116C.66; and Laws 1977, Chapter 439, Section 26.

Reports the same back with the recommendation that the bill be amended as follows:

Amend the title as follows:

Page 1, line 2, strike "adoption of rules concerning the"

Page 1, line 4, after the semicolon insert "clarifying the grounds for revocation or suspension of a site certificate or route suspension permit; extending the effective date of the board's emergency rules;"

And when so amended the bill do pass. Amendments adopted.
Report adopted.

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 1689: A bill for an act relating to battered women; appropriating money; amending Minnesota Statutes, 1977 Sup-

plement, Sections 241.62, Subdivisions 1 and 4; 241.63; 241.66, Subdivision 2, and by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, after line 16, insert:

“Sec. 3. Minnesota Statutes, 1977 Supplement, Section 241.62, is amended by adding a subdivision to read:

Subd. 5. [CLASSIFICATION OF DATA COLLECTED BY GRANTEES.] Personal history information and other information collected, used or maintained by a grantee from which the identity of any battered woman may be determined is private data on individuals, as defined in section 15.162, subdivision 5a, and the grantee shall maintain the data in accordance with the provisions of sections 15.162 to 15.169.”

Page 3, strike lines 31 to 32 and insert:

“Sec. 7. [APPROPRIATION.] *Subdivision 1. The sums set forth in this section are appropriated from the general fund to the commissioner of corrections for the purposes specified in this section.*

Subd. 2. For the purpose of making grants pursuant to section 241.62, subdivision 1.....\$200,000

Subd. 3. For the purpose of implementing section 241.63, clause (e).....\$ 25,000

The approved complement of the department of corrections is increased by one unclassified position.”

Page 4, strike lines 1 and 2

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after “4” insert “and by adding a subdivision”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. McCutcheon from the Committee on Taxes and Tax Laws, to which was referred

S. F. No. 1773: A bill for an act relating to taxation; income tax; reducing the tax rate imposed upon corporations; eliminating the arithmetic average from the formula used for apportionment of trade or business income among states; amending Minnesota Statutes 1976, Sections 290.06, Subdivision 1; 290.19, Subdivision 1; and 290.361, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 2 to 5, strike Section 2

Renumber the remaining sections in sequence

Amend the title as follows:

Page 1, line 3, strike "eliminating the"

Page 1, strike lines 4 and 5

Page 1, line 6, strike "states;"

Page 1, line 7, strike "290.19, Subdivision 1;"

And when so amended the bill do pass. Amendments adopted.
Report adopted.

Mr. McCutcheon from the Committee on Taxes and Tax Laws,
to which was referred

H. F. No. 1726: A bill for an act relating to special assessments; clarifying availability of certain appeal procedures; eliminating use of alternative procedures; increasing the time for appealing certain special assessments; amending Minnesota Statutes 1976, Section 429.081; and Minnesota Statutes, 1977 Supplement, Section 278.01.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 3, strike "do"

Page 3, strike lines 4 and 5

Page 3, line 6, strike "and"

Page 3, line 7, before the period insert "*made pursuant to chapter 429 or 430 or any special law*"

And when so amended the bill do pass. Amendments adopted.
Report adopted.

Mr. McCutcheon from the Committee on Taxes and Tax Laws,
to which was referred

S. F. No. 1649: A bill for an act relating to taxation; property tax; extending class 3cc to homesteads of persons receiving private disability pensions; amending Minnesota Statutes, 1977 Supplement, Section 273.13, Subdivision 7.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations,
to which was referred

H. F. No. 1729: A bill for an act relating to buildings; access to handicapped; international wheelchair symbol; adopting uniform colors; amending Minnesota Statutes 1976, Section 299G.12, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 12, after "buildings" strike "and" and insert a comma

Page 1, line 12, after "facilities" insert "and grounds"

Page 1, line 15, strike "and" and insert ", grounds and"

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

H. F. No. 1736: A bill for an act relating to state-leased buildings and sites for state meetings; concerning the handicapped; requiring state-leased buildings and sites for state meetings to be accessible to the handicapped; amending Minnesota Statutes 1976, Section 471.467, by adding subdivisions.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 16.84, is amended by adding subdivisions to read:

Subd. 7. "Public building" means any building and the grounds appurtenant thereto, the cost of which is paid for by the state of Minnesota or any governmental subdivision thereof, or any agency of the state or of any governmental subdivision, or school district.

Subd. 8. "Physically handicapped" means sight disabilities, hearing disabilities, disabilities of incoordination, disabilities of aging, and any other disability that significantly reduces mobility, flexibility, coordination, or perceptiveness.

Subd. 9. "Remodeling" means deliberate reconstruction of an existing public building in whole or in part in order to bring it up to date in conformity with present uses of the structure and to which other rules on the upgrading of health and safety provisions are applicable.

Sec. 2. Minnesota Statutes, 1977 Supplement, Section 16.85, is amended to read:

16.85 [GENERAL POWERS OF COMMISSIONER, STATE BUILDING CODE.] Subdivision 1. Subject to the provisions of sections 16.83 to 16.867, the commissioner shall by rule establish a code of standards for the construction, reconstruction, alteration, and repair of state-owned buildings, governing matters of structural materials, design and construction, fire protection, health, sanitation, and safety. *The code shall also provide for making public buildings constructed or remodeled after July 1, 1963, accessible to and usable by physically handicapped persons; provided that this shall not require the remodeling of public buildings solely to provide accessibility and usability to the physically handicapped when remodeling would not otherwise be undertaken.* The commissioner may amend the code from time to time as

provided in sections 16.83 to 16.867. The code and any amendment thereof shall conform insofar as practicable to model building codes generally accepted and in use throughout the United States. In the preparation of the code consideration shall be given to the existing state-wide specialty codes presently in use in the state of Minnesota. Such model codes with modifications as may be deemed necessary and state-wide specialty codes may be adopted by reference. The code so promulgated and any amendments thereof shall be based on the application of scientific principles, approved tests, and professional judgment; and to the extent that it is practical so to do the code shall be promulgated in terms of desired results instead of the means of achieving such results, avoiding wherever possible the incorporation of specifications of particular methods or materials. To that end the code shall encourage the use of new methods and new materials. *Except as otherwise provided in sections 16.83 to 16.867, the commissioner shall administer and enforce the provisions of those sections.*

The code shall require that any parking ramp or other parking facility constructed in accordance with the code include an appropriate number of spaces suitable for the parking of motor vehicles having a capacity of seven to 16 persons and which are principally used to provide prearranged commuter transportation of employees to or from their place of employment or to or from a transit stop authorized by a local transit authority.

The code shall require that all dwellings, lodging houses, apartment houses, and hotels as defined in section 299F.362 comply with the provisions of section 299F.362.

Subd. 1a. Construction or remodeling shall not be commenced on any public building owned by the state of Minnesota until the plans and specifications of the public building have been approved by the commissioner. In the case of any other public building the plans and specifications thereof shall be submitted to the commissioner for review, and within 30 days after his receipt thereof he shall notify the submitting authority of his recommendations if any.

Subd. 1b. No agency of the state may lease space for agency operations in a non-state owned building, unless the building satisfies the requirements of the state building code for accessibility by the physically handicapped, or is eligible to display the state symbol of accessibility. This limitation shall apply in respect to leases of thirty days or more for space of at least 1,000 square feet commencing on or after July 1, 1980.

Subd. 1c. After July 1, 1979, meetings or conferences attended by the public and sponsored by a state agency in non-publicly owned buildings shall be held in buildings that either meet the state building code requirements relating to accessibility for the physically handicapped or are eligible to display the state symbol for accessibility.

Subd. 1d. The commissioner of administration may grant an exemption from the requirements of subdivisions 1b and 1c if the head of the affected state agency certifies to the commissioner

that handicapped persons will not regularly seek access to the facilities used by the state agency and if reasonable efforts were made to secure facilities which complied with the requirements of subdivision 1b.

Sec. 3. [TEMPORARY PROVISION.] *Persons, appropriations and materials in respect to those functions in the office of state fire marshal transferred by this act shall be transferred by the commissioners of administration and finance, as appropriate, from the state fire marshal to the commissioner of administration.*

Sec. 4. [REPEALER.] *Minnesota Statutes 1976, Sections 299F.41, 299F.42, 299F.43, 299F.44 and 299F.45 are repealed.*

Sec. 5. [EFFECTIVE DATE.] *This act is effective July 1, 1978."*

Amend the title by striking it in its entirety and inserting

"A bill for an act relating to publicly-owned buildings; providing for access and usability by physically handicapped persons; requiring leased space and state agency meetings to be accessible; transferring enforcement from the state fire marshal to the commissioner of administration; amending Minnesota Statutes 1976, Section 16.84 by adding subdivisions; and Minnesota Statutes, 1977 Supplement, Section 16.85; repealing Minnesota Statutes 1976, Sections 299F.41, 299F.42, 299F.43, 299F.44 and 299F.45."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred

H. F. No. 1859 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.
1859	1809				

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred

H. F. No. 1770 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.
1770	1590				

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which were referred

H. F. Nos. 2175, 2066, 2466 for comparison with companion Senate Files, reports the following House Files were found not identical with their companion Senate Files 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.
2175	2041				
2066	1900				
2466	2274				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2175 be amended as follows:

Page 1, line 12, delete everything after "may"

Page 1, delete lines 13 to 15

Page 1, line 16, delete everything before "The" and insert

"authorize the dispensing, by sale or otherwise, of intoxicating liquor at the premises known and used as Wakota arena. The ordinance may permit a person, firm or corporation permitted to use space on the premises for the purpose of conducting any convention, banquet, conference, meeting or social affair to engage any licensee having a regularly issued on-sale license for a location within the city to dispense intoxicating liquor to members or guests attending the convention, banquet, conference, meeting or social affair."

Page 1, line 17, delete the first "the" and insert "a"

Page 1, line 18, delete "Such" and insert "The"

And when so amended H. F. No. 2175 will be identical to S. F. No. 2041, and further recommends that H. F. No. 2175 be given its second reading and substituted for S. F. No. 2041, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2066 be amended as follows:

Page 1, line 16, before "mail" insert "*send by certified*"

Page 1, lines 17 to 20, restore the stricken language and delete the underscored language

And when so amended H. F. No. 2066 will be identical to S. F. No. 1900, and further recommends that H. F. No. 2066 be given its second reading and substituted for S. F. No. 1900, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2466 be amended as follows:

Delete page 2, line 7 to page 3, line 16

Page 3, delete lines 24 and 25 and insert

"Sec. 3. Minnesota Statutes 1976, Chapter 144, is amended by adding a section to read:

[144.1751] [DISCLOSURE OF INFORMATION FROM VITAL RECORDS.] *Subdivision 1. Except as otherwise provided for in this section and section 144.176, information contained in vital records is public information. Physical access to vital records shall be subject to the supervision and regulation of state and local registrars and their employees pursuant to rules promulgated by the commissioner in order to protect vital records from loss, mutilation or destruction and to prevent improper disclosure of records which are confidential or private data on individuals, as defined in section 15.162, subdivisions 2a and 5a.*

Subd. 2. Disclosure of information pertaining to births out of wedlock or information from which it can be ascertained shall be made only to the guardian of the person, the person to whom the record pertains when the person is 18 years of age or older, or upon order of a court of competent jurisdiction. The birth and death records of the commissioner of health shall be open to inspection by the commissioner of public welfare and it shall not be necessary for him to obtain an order of the court in order to inspect records or to secure certified copies thereof.

Subd. 3. No person shall prepare or issue any certificate which purports to be an original, certified copy, or copy of a vital record except as authorized in sections 144.151 to 144.205 or the rules of the commissioner.

Subd. 4. The state registrar may permit persons performing medical research access to the information restricted in subdivision 2 if those persons agree in writing not to disclose confidential or private data on individuals, as defined in section 15.162, subdivisions 2a and 5a.

Subd. 5. When a resident of another state is born or dies in this state, the state registrar shall send a report of the birth or death to the state of residence.

Sec. 4. [REPEALER.] *Minnesota Statutes 1976, Section 144.175, Subdivisions 1, 4, and 5; and Minnesota Statutes, 1977 Supplement, Section 144.175, Subdivision 2, are repealed.*"

Renumber sections in sequence

Further, delete the title and insert

"A bill for an act relating to departments of state; concerning confidential data on individuals; regarding emergency classification of data; guarding access to vital statistics records; amending Minnesota Statutes, 1977 Supplement, Sections 15.162, Subdivision 2a; 15.1642, Subdivision 5; and Minnesota Statutes 1976, Chapter 144, by adding a section; repealing Minnesota Statutes 1976, Section 144.175, Subdivisions 1, 4 and 5; and Minnesota Statutes, 1977 Supplement, Section 144.175, Subdivision 2."

And when so amended H. F. No. 2466 will be identical to S. F. No. 2274, and further recommends that H. F. No. 2466 be given its second reading and substituted for S. F. No. 2274, 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. Purfeerst from the Committee on Transportation, to which was referred

H. F. No. 1965: A bill for an act relating to highways; directing the department of transportation to utilize a certain corridor in Washington County for the construction of interstate highway marked No. I 94.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Coleman from the Subcommittee on Bill Scheduling, to which were referred S. F. Nos. 2044, 1839, 1961, 2275, 1404, 1722, 2033, 1026, 2272, 1478, 1781, 1726, 1721, 2051, 1628, 2230, 1884 and H. F. Nos. 2243, 1665, 1447, 1967, 1604, 2081, 1773, 1937 makes the following report:

That S. F. Nos. 2044, 1839, 1961, 2275, 1404, 1722, 2033, 1026, 2272, 1478, 1781, 1726, 1721, 2051, 1628, 2230, 1884 and H. F. Nos. 2243, 1665, 1447, 1967, 1604, 2081, 1773, 1937 be placed on the General Orders Calendar in the order indicated.

That there were no other bills before the Subcommittee on which floor action was requested. Report adopted.

SECOND READING OF SENATE BILLS

S. F. Nos. 1689, 1773 and 1649 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. Nos. 1729, 1859, 1770, 2175, 2066 and 2466 were read the second time.

H. F. Nos. 1981, 1661, 2087, 1726, 1736, and 1965 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 8:30 o'clock a.m., Saturday, March 11, 1978. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

EIGHTY-NINTH DAY

St. Paul, Minnesota, Saturday, March 11, 1978

The Senate met at 8:30 o'clock a.m. and was called to order by the President.

CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate. The following Senators answered to their names:

Ashbach	Engler	Kirchner	Nelson	Stokowski
Bang	Frederick	Laufenburger	Olhoff	Strand
Chmielewski	Gearty	Lessard	Olson	Tennessee
Coleman	Gunderson	Luther	Penny	Ueland, A.
Davies	Hanson	McCutcheon	Pillsbury	Vega
Dieterich	Johnson	Merriam	Purfeerst	Wegener
Dunn	Keefe, S.	Moe	Staples	Willet

The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Curtis A. Herron.

The roll was called, and the following Senators answered to their names:

Anderson	Engler	Knoll	Olhoff	Sikorski
Ashbach	Frederick	Knutson	Olson	Solon
Bang	Gearty	Laufenburger	Penny	Spear
Benedict	Gunderson	Lessard	Perpich	Staples
Bernhagen	Hanson	Lewis	Peterson	Stokowski
Borden	Hughes	Luther	Pillsbury	Strand
Brataas	Jensen	McCutcheon	Purfeerst	Stumpf
Chenoweth	Johnson	Menning	Renneke	Tennessee
Chmielewski	Keefe, J.	Merriam	Schaaf	Ueland, A.
Coleman	Keefe, S.	Moe	Schmitz	Ulland, J.
Davies	Kirchner	Nelson	Schrom	Vega
Dieterich	Kleinbaum	Nichols	Setzpfandt	Wegener
Dunn	Knaak	Ogdahl	Sietoff	Willet

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

MEMBERS EXCUSED

Messrs. Humphrey and Sillers were excused from the Session of today. Mr. Ueland, A. was excused from the Session of today at 4:00 o'clock p.m. Mrs. Staples was excused from the Session of

today from 11:30 a.m. to 1:00 o'clock p.m. Messrs. Coleman and Borden were excused from the Session of today until 3:30 o'clock p.m.

REPORTS AND RESOLUTIONS FILED WITH THE SECRETARY OF THE SENATE

Various reports were filed during the 1977 interim and the 1978 Session by Retirement and Relief Associations and are filed in the office of the Secretary of the Senate; also reports made by the Legislative Audit Commission on various state institutions and boards; Department of Transportation, Commissioner of Aeronautics, Biennial Report, July 1, 1974 to June 30, 1976; Legislative Commission on Pensions and Retirement, 1977-78; Department of Administration, Implementing and Financing the State Building Code; Indian Affairs Intertribal Board, 1977; State Board of Health, Maternal and Child Nutrition Program, 1977; Department of Administration, Small Business Procurement Act; Ethical Practices Board, Annual Report 1976-77; Department of Finance, Statewide Indirect Cost Plan for fiscal year 1978; Department of Public Welfare, Evaluation of Pilot Programs of Dental Care for Senior Citizens, 1978; Department of Commerce, Annual Report, 1977; Department of Education, Program Space Needs at the Minnesota Braille and Sight-Saving School, 1978; Department of Personnel, State Employees Benefit Insurance Plan; Minnesota Energy Agency, Interim Coal Study Report, 1978; Arrowhead Regional Development Commission, Annual Report, 1977; Department of Public Safety, Bureau of Criminal Apprehension, Biennial Report, 1977; State Treasurer, Biennial Report, 1977; Commissioner of Administration, Occupational Licensing Boards and Host Departments in Minnesota, Part II, 1977; Commissioner of Administration, Survey of State Buildings for Energy Conservation, Coal Survey, 1977; State Planning Agency, Reorganization of Delivery of State and Local Human Services; State Planning Agency, Financial Reporting, 1977; State Planning Agency, Consumer Access and Ombudsman Studies, 1977; State Planning Agency, Description of Human Services with Substate Service Areas, 1977; State Planning Agency, Human Services Boards, Latest Look, 1977; State Board of Investment, Activities of Investment, Advisory Council, 1977; Metropolitan Council, Transit Commission Budget, 1977; Board of Teaching, Staffing Needs, 1978; Department of Public Safety, Mandatory Bicycle Registration; Department of Administration, State Facilities Accessibility Survey Cost Estimates; Department of Economic Development, Biennial Report and Overview of Municipal Revenue Bonds; Department of Public Welfare, Proposal for Work Equity through Meaningful Employment; Department of Economic Security, Existing Operating Conditions and Specific Improvement Objectives.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated:

Mr. Stumpf introduced—

S. F. No. 2401: A bill for an act relating to homeowners insurance; requiring a premium reduction or credit against premium under certain circumstances for installation of certain devices providing security against loss by burglary or theft.

Referred to the Committee on Commerce.

Mr. Solon introduced—

S. F. No. 2402: A bill for an act relating to public employees; providing for a uniform system of health care benefits for active and retired public employees and their dependents; establishing a public employees health plan board; prescribing its powers and duties; appropriating money.

Referred to the Committee on Governmental Operations.

Messrs. Anderson, Sillers, Merriam, Coleman and Gunderson introduced—

S. F. No. 2403: A bill for an act relating to retirement; computation of teacher's retirement annuity for certain superintendent of schools; amending Minnesota Statutes 1976, Section 354.55, by adding a subdivision.

Referred to the Committee on Governmental Operations.

Mr. Moe, for the Committee on Finance, introduced—

S. F. No. 2404: A bill for an act relating to the organization and operation of state government; clarifying, supplementing, and providing for deficiencies in appropriations for the expenses of state government with certain conditions; providing for payment of claims; shortening time for cancellation of certain drafts; authorizing fees and special accounts in certain cases; transferring duties and appropriations; requiring certain insurance coverage; providing for use of prison industry in railroad rehabilitation; extending existence of advisory council on economic status of women; limiting use of certain federal money by the department of education; creating a legislative commission on priorities; appropriating money; amending Minnesota Statutes 1976, Sections 3.736, Subdivision 7; 3.98, Subdivisions 3 and 4; 10.15; 16A.60; 43.064; 43.067, Subdivision 1; 43.12, by adding a subdivision; 60A.13, Subdivision 7; 60A.14, Subdivision 1; 62A.149, Subdivision 1; 120.17, Subdivision 9; 125.183, by adding a subdivision; 136A.155; 222.50, Subdivision 3; 242.385; Chapter 16A, by adding sections; Minnesota Statutes, 1977 Supplement, Sections 10A.20, Subdivision 3, as amended; 10A.27, Subdivision 4, as amended; 10A.32, Subdivision 3, as amended; 120.17, Subdivision 7a; 298.28, Subdivision 1; and 473.591, Subdivision 3; amending Laws 1976, Chapter 337, Sections 1, Subdivisions 1 and 4; and 4; amending Laws 1977,

Chapter 421, Section 13, by adding a subdivision; repealing Minnesota Statutes 1976, Sections 3.732, Subdivision 4; 16.171; 60A.13, Subdivisions 3 and 4; 162.19; 325.64 to 325.76; and 363.122.

Under the rules of the Senate, laid over one day.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S. F. Nos. 1096, 1547, 1603 and 1664.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned March 10, 1978

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. 1431: A bill for an act relating to food; providing for inspection and license fees for certain coin operated food vending machines; amending Minnesota Statutes, 1977 Supplement, Section 28A.03; and Minnesota Statutes 1976, Section 28A.09.

Senate File No. 1431 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned March 10, 1978

CONCURRENCE AND REPASSAGE

Mr. Luther moved that the Senate concur in the amendments by the House to S. F. No. 1431 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1431: A bill for an act relating to food; providing for inspection and license fees for certain coin operated food vending machines; amending Minnesota Statutes, 1977 Supplement, Section 28A.03; and Minnesota Statutes 1976, Section 28A.09; repealing Minnesota Statutes 1976, Section 28A.15, Subdivision 6.

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 38 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Laufenburger	Penny	Stumpf
Bang	Frederick	Lessard	Pillsbury	Tennessee
Bernhagen	Gearty	Luther	Schmitz	Ueland, A.
Chmielewski	Gunderson	McCutcheon	Schrom	Vega
Coleman	Hanson	Moe	Setzepfandt	Wegener
Davies	Johnson	Nelson	Staples	Willet
Dieterich	Keefe, S.	Olhoft	Stokowski	
Dunn	Kirchner	Olson	Strand	

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. 2250, 1885, 1353, 1786, 1790, 2177, 2233, 1754, 1976, 669, 1286, 1599, 2052, 2151 and 2256.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 10, 1978

FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H. F. No. 2250: A bill for an act relating to taxation; increasing credits available to certain taxpayers; removing sales taxes on residential heating fuels; providing additional refunds for residential heating costs for certain taxpayers; reducing the income tax rate on corporations; eliminating the arithmetic average from the formula used for the apportionment of trade or business income among states; amending Minnesota Statutes 1976, Sections 290.06, Subdivisions 1 and 3d; 290.19, Subdivision 1; 290.361, Subdivision 2; 290A.07, Subdivision 1; 297A.25, Subdivision 1; Chapter 290, by adding a section; and Chapter 290A, by adding a section; and Minnesota Statutes, 1977 Supplement, Sections 290.06, Subdivision 3c; and 290A.06.

Mr. McCutcheon moved that H. F. No. 2250 be laid on the table. The motion prevailed.

H. F. No. 1885: A bill for an act relating to education; providing for aids to education, tax levies, and the distribution of tax revenues; granting certain powers and duties to teachers, school boards, school districts, county auditors, the commissioner of education, the commissioner of finance, and the state board of education; creating a legislative school finance study commission; revising the provisions governing effective date, levy limitations, and employee relations, in case of school district reorganization; allowing the experimental pairing of certain districts; limiting the liability of school bus contractors; increasing foundation aid, special education aid, capital expenditure aid and the capital

expenditure levy limitation; providing a funding method for programs of secondary vocational education for handicapped children; increasing the reinstatement period for teachers on unrequested leave of absence; providing state funding for the employer's share of retirement contributions for teachers on extended leaves of absence; prohibiting wage reopening clauses in teachers' contracts; authorizing certain expenditures; transferring certain appropriated funds; appropriating money; amending Minnesota Statutes 1976, Sections 6.62, Subdivision 1; 121.904, Subdivision 7, and by adding a subdivision; 122.22, Subdivision 9, and by adding a subdivision; 122.23, Subdivisions 13, 15, and 18; 122.46, Subdivision 2; 123.37, Subdivision 1b; 124.17, Subdivision 3; 124.20; 124.212, by adding subdivisions; 124.74; 124.76; 125.12, Subdivisions 6a and 6b; 126.12; 127.29, Subdivision 1; 128A.02, by adding subdivisions; 134.03; 179.70, Subdivision 1; 275.125, Subdivisions 15, 16 and 18; 475.60, Subdivision 2; Chapter 122, by adding sections; Chapter 124, by adding a section; Minnesota Statutes, 1977 Supplement, Sections 121.912, Subdivision 1; 122.85, Subdivision 1; 124.17, Subdivisions 1 and 2; 124.19, Subdivision 1; 124.212, Subdivisions 5a, 7b and 8a; 124.213, Subdivisions 1 and 2; 124.222, Subdivision 6; 124.245, Subdivisions 1 and 2, and by adding a subdivision; 124.32, Subdivisions 1, 1a, 1b, 5, and by adding a subdivision; 124.38, Subdivision 7; 124.562, Subdivision 1; 124.572, Subdivision 2; 124.573, Subdivision 2; 125.60, Subdivisions 2 and 3, and by adding a subdivision; 125.61, Subdivisions 1, 2, 3, 4, 6, and by adding a subdivision; 176.011, Subdivision 9; 275.07; 275.124; 275.125, Subdivisions 9, and 11a; 354.094, Subdivisions 1 and 4; 354.66, Subdivisions 1 and 9; 354A.091, Subdivisions 1 and 4; and 354A.22, Subdivisions 1 and 9; repealing Minnesota Statutes 1976, Sections 120.07; 122.53; 124.02; Minnesota Statutes, 1977 Supplement, Sections 125.61, Subdivision 5; 128A.06; and Laws 1977, Chapter 447, Article IX, Section 8.

Mr. McCutcheon moved that H. F. No. 1885 be laid on the table. The motion prevailed.

H. F. No. 1353: A bill for an act relating to tax delinquent real estate; requiring notice to the commissioner of natural resources of forfeiture and sale of tax delinquent real estate; clarifying ownership of certain tax forfeited real estate; amending Minnesota Statutes 1976, Sections 281.23, Subdivision 8; 281.25; and 282.01, Subdivisions 1 and 3.

Referred to the Committee on Judiciary.

H. F. No. 1786: A bill for an act relating to children; requiring a welfare agency receiving a report of a maltreated minor to notify the local police department or county sheriff; amending Minnesota Statutes 1976, Section 626.556, Subdivisions 1, 3, 4, 6, 7, 8 and 9; and Minnesota Statutes, 1977 Supplement, Section 626.556, Subdivisions 2 and 11.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1917 now on General Orders.

H. F. No. 1790: A bill for an act relating to public employment labor relations; making certain matters mandatory negotiable; allowing employees alternate remedies in grievance proceedings or civil service appeals; amending Minnesota Statutes 1976, Section 179.70, Subdivision 1.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1747 now on General Orders.

H. F. No. 2177: A resolution relating to the war in Southeast Asia, expressing the concern of the Minnesota legislature for those MIAs and POWs that are unaccounted; urging action by the national leadership to end the heartache caused by the lack of information about these servicemen.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1973 now on General Orders.

H. F. No. 2233: A bill for an act relating to state government; directing the commissioner of administration to grant contract preference to American made products; amending Minnesota Statutes 1976, Chapter 16, by adding a section.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 2111 now on General Orders.

H. F. No. 1754: A bill for an act relating to education; eliminating and correcting certain obsolete provisions; planning task force; providing for removal of task force members; amending Minnesota Statutes 1976, Sections 120.05, Subdivision 1; 120.10, Subdivision 4; 120.14; 120.15; 123.35, by adding a subdivision; 123.62; and 124.12, Subdivision 2; amending Minnesota Statutes, 1977 Supplement, Section 122.86, Subdivision 3; repealing Minnesota Statutes 1976, Section 121.11, Subdivisions 2, 3 and 4.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1703 now on General Orders.

H. F. No. 1976: A bill for an act relating to highway traffic regulations; prohibiting possession of certain traffic signs; granting immunity from prosecution to persons who voluntarily notify police of their possession of such signs; amending Minnesota Statutes 1976, Section 169.08.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1882 now on General Orders.

H. F. No. 669: A bill for an act relating to trespass; prohibiting trespass on certain lands of another for purposes of taking wild animals, fish or plants; limiting discharge of a firearm within 500 feet of an occupied building; amending Minnesota Statutes 1976, Sections 100.273; and 100.29, Subdivision 21; repealing Minnesota Statutes 1976, Section 100.29, Subdivision 22.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1759 now on General Orders.

H. F. No. 1286: A bill for an act relating to education; granting certain powers and duties relating to public libraries to the state board and the state department of education; providing grants for certain library systems; appropriating money; amending Minnesota Statutes 1976, Chapter 134, by adding sections; repealing Minnesota Statutes 1976, Sections 121.22; 121.23; 121.24; and 134.035.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1404 now on General Orders.

H. F. No. 1599: A bill for an act relating to unemployment compensation; making certain development achievement center teachers ineligible for benefits during certain periods; amending Minnesota Statutes, 1977 Supplement, Section 268.08, Subdivision 6.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1543 now on General Orders.

H. F. No. 2052: A bill for an act relating to aeronautics; modifying airport zoning regulations to protect existing residential neighborhoods; amending Minnesota Statutes 1976, Sections 360.062; 360.066, Subdivision 1, and by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1908 now on General Orders.

H. F. No. 2151: A bill for an act relating to unclaimed property; providing for reporting of certain unclaimed intangible property; amending Minnesota Statutes 1976, Sections 345.38, by adding a subdivision; 345.54; and 345.55, by adding a subdivision; and Minnesota Statutes, 1977 Supplement, Section 345.41.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 2003 now on General Orders.

H. F. No. 2256: A bill for an act relating to highway traffic regulation; concerning accident reports; making reports available for accident prevention purposes to additional agencies; concealing the identity of involved persons; amending Minnesota Statutes 1976, Section 169.09, Subdivision 13.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 2106 now on General Orders.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted, with the exception of the report on S. F. No. 2219 and reports pertaining to appointments. The motion prevailed.

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred

H. F. No. 1881: A bill for an act relating to agriculture; family farm security program; providing for exclusion from gross income

of interest on certain loans; amending Minnesota Statutes 1976, Section 41.58, by adding a subdivision.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Report adopted.

Mr. Moe from the Committee on Finance, to which was re-referred

S. F. No. 1849: A bill for an act relating to education; adopting the Midwestern Education Compact; implementing the operation of such compact.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Moe from the Committee on Finance, to which was re-referred

S. F. No. 1125: A bill for an act relating to solid waste; establishing a regional solid waste management board in the counties of Faribault, Jackson, Martin and Watonwan; prescribing its powers and duties; authorizing a solid waste disposal and resource recovery facility in the city of Fairmont; granting the city certain solid waste management powers; extending certain grants-in-aid for solid waste management purposes; establishing a solid waste resource recovery loan account; providing for state loans to finance construction of solid waste resource recovery facilities; appropriating money.

Reports the same back with the recommendation that the bill be re-referred to the Committee on Agriculture and Natural Resources. Report adopted.

Mr. Moe from the Committee on Finance, to which was re-referred

S. F. No. 2188: A bill for an act relating to the national guard; providing a bonus for re-enlistment; appropriating money; amending Minnesota Statutes 1976, Section 192.205, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 9, after the dollar sign insert "345,000"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Finance, to which was re-referred

S. F. No. 1577: A bill for an act relating to the department of veterans affairs; establishing a home for veterans in Hastings; appropriating money; amending Minnesota Statutes, 1977 Supplement, Section 246.02, Subdivision 2.

Reports the same back with the recommendation that bill be amended as follows:

Page 2, line 9, strike "\$1,178,380" and insert "\$905,000"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 1095: A bill for an act relating to the organization of state government; creating a fire service prevention and control advisory council in the department of public safety; superseding an executive order agency; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 26, after "of" delete the remainder of the line

Page 2, delete line 28

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Finance, to which was re-referred

S. F. No. 2184: A bill for an act relating to youth; establishing grants for the operation of youth intervention programs; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 10, delete "annually" and insert "in each of the fiscal years ending June 30, 1978 and June 30, 1979"

Page 2, lines 10 and 11, delete "department of public welfare" and insert "crime control planning board"

Page 2, line 12, delete "Notwithstanding Minnesota Statutes,"

Page 2, delete lines 13 through 15

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 2148: A bill for an act relating to drivers' licenses; providing for automatic reinstatement of nonresident driving privilege in certain circumstances; providing limited protection to a resident whose driving privilege in another state has been suspended or revoked; amending Minnesota Statutes 1976, Section 171.15; and Chapter 171, by adding a section.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Moe from the Committee on Finance, to which was re-referred

S. F. No. 1706: A bill for an act relating to energy; changing the powers of the director of the Minnesota energy agency; providing for the confidentiality of proprietary data furnished to the energy agency; requiring a residential energy disclosure report at time of sale; creating a pilot project and research program on ethanol production from biomass; mandating certain energy efficiency standards for rental units; establishing insulation product and application standards; providing for community energy conservation councils; providing for solar energy zoning and planning ordinances; requiring the metropolitan council to consider access to sunlight in its land use plans; permitting nuisance actions for certain obstructions to sunlight; providing requirements for solar easements; requiring monitoring of gasohol research; establishing a deadline for enforcing the state building code in municipalities; prescribing penalties; appropriating money; amending Minnesota Statutes 1976, Sections 116H.08; 394.25, Subdivision 2; 394.27, Subdivision 7; 462.12; 462.357, Subdivisions 1 and 6; 462.356, Subdivisions 2 and 6; 462.39, Subdivision 3; 473.05, Subdivision 1; 473.859, Subdivision 2; 561.01; and Chapter 116H, by adding a section; Minnesota Statutes, 1977 Supplement, Section 116H.129, Subdivision 1, and by adding subdivisions.

Reports the same back with the recommendation that the bill be amended as follows:

Page 28, strike lines 13 to 15 and insert a period

Page 30, line 26, after the dollar sign insert "99,000"

Page 30, line 28, strike "*purposes*" and insert "*purpose*"

Page 30, line 28, after "*of*" insert "*assisting the community energy conservation councils authorized by*"

Page 30, line 28, after "12" insert ", to be available until June 30, 1979"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Finance, to which was re-referred

S. F. No. 1642: A bill for an act relating to agriculture; clarifying jurisdiction concerning grain inspection, weighing, sampling and analysis; appropriating money; amending Minnesota Statutes 1976, Sections 17B.03, Subdivision 1; 17B.04, Subdivision 1; and 17B.13.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 28, delete "and" and insert a period and begin a new paragraph as follows:

"Sec. 4. [FORMER WEIGHERS; TEMPORARY PROVISION.] *The commissioner may hire*"

Page 3, line 13, after "act" insert "*for the fiscal year ending June 30, 1979*"

Page 3, line 15, delete "*classified positions*" and insert "*persons*"

Renumber the sections in sequence

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 437: A bill for an act relating to assumed business names; permitting and regulating conduct of business under assumed business name; amending Minnesota Statutes 1976, Sections 301.09; 333.01; 333.04; and 333.06; and Chapter 333, by adding sections; repealing Minnesota Statutes 1976, Sections 333.03; and 333.05.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 11, strike "*conducts, transacts,*" and insert "*has a principal or registered office*"

Page 3, line 12, strike "*or intends to conduct or transact such business,*"

Page 4, line 12, strike "OR CANCELLATION"

Page 4, line 24, after "333.01" insert "*after August 1, 1978, together with trademarks, service marks, certification marks or collective marks filed with the secretary of state and issued pursuant to sections 333.20 and 333.21*"

Page 5, line 11, strike "*Subd. 2.*"

Page 5, line 18, strike "*expire two years thereafter, and*" and insert "*continue in force without the necessity of another filing under section 5 until July 31, 1979, at which time all such certificates shall expire unless renewed as hereinafter provided. Any certificate*"

Page 5, line 21, strike "5" and insert "3"

Page 5, strike lines 23 to 32

Page 6, strike lines 1 to 3

Page 6, line 8, strike "\$20" and insert "\$10"

Renumber the subdivisions

Page 7, after line 8, insert:

"Sec. 8. [APPROPRIATION.] The sum of \$63,300 is appropriated from the general fund to the secretary of state for the purpose of this act for the fiscal year ending June 30, 1979. The approved complement of the office of secretary of state is increased by three persons."

Renumber the remaining section

Amend the title as follows:

Line 4, after the semicolon insert "appropriating money;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 1864: A bill for an act relating to state employees; improving testing procedures; tightening provisions relating to provisional appointments; providing for a pilot reliability-based band with certification program; altering certain requirements for appointment and benefit eligibility; establishing special procedures for filling certain positions; providing for modified reimbursements of costs; appropriating money; amending Minnesota Statutes 1976, Sections 43.13, Subdivision 1, and by adding a subdivision; 43.14, Subdivision 1; 43.18; 43.19, Subdivision 1; 43.20, Subdivisions 2, 3, 5, and by adding a subdivision; 43.32, Subdivision 11; 43.327, Subdivisions 1 and 2; 43.491, by adding a subdivision; and Chapter 43, by adding a section.

Reports the same back with the recommendation that the bill be amended as follows:

Page 8, after line 27, insert:

"Sec. 11. Minnesota Statutes 1976, Section 43.24, Subdivision 1, is amended to read:

43.24 [REMOVAL.] Subdivision 1. [WRITTEN STATEMENT.] No permanent employee in the classified service, under the provisions of this chapter or the rules made pursuant thereto, shall be removed, discharged, suspended without pay for more than 30 days, or reduced in pay or position, except for just cause, which shall not be religious or political, or because of the employee's race, sex, disability or age, subject however to the mandatory retirement ages specified by law. In case of any disciplinary action, as enumerated in this section, the employee shall, before the action is taken, be furnished with a statement, in writing, setting forth the reasons for the disciplinary action, be permitted five days time to reply thereto, in writing, or upon his request, to appear personally and reply to the head of the department. A copy of the statement and the employee's reply, if any, shall be filed with the commissioner prior to the effective date thereof. *Any permanent employee in the classified service who is removed, discharged, suspended without pay, or reduced in pay or position shall be notified of his right to appeal such action to the board no later than the effective date thereof."*

Page 10, line 5, after "a" insert "retired"

Page 10, lines 5 and 6, strike "who retires prior to age 65 and"

Page 10, strike line 15

Page 10, line 16, strike everything before the period and insert "shall be coordinated with relevant health insurance benefits provided through the federally-sponsored medicare program"

Page 12, line 6, strike "alphabetical" and insert "random"

Page 14, lines 15 and 23, strike "15" and insert "16"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 9, after the semicolon insert "providing notification of appeal rights;"

Page 1, line 14, after "subdivision;" insert "43.24, Subdivision 1;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Tennesen from the Committee on Commerce, to which was referred

S. F. No. 2219: A bill for an act relating to insurance; removing the limitation on the expense factor in setting workers' compensation insurance premiums; referring rates for expenses to the workers' compensation study commission; amending Minnesota Statutes, 1977 Supplement, Section 79.07; Laws 1977, Chapter 342, Section 27, Subdivision 1.

Reports the same back with the recommendation that the bill do pass. Mr. Keefe, S. questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Coleman from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon,

S. F. No. 2237: A bill for an act proposing an amendment to the Minnesota Constitution, Article XIII, Section 5; permitting parimutuel betting on races if authorized by law.

Reports the same back with the recommendation that the report from the Committee on General Legislation and Veterans Affairs shown in the Journal for March 2, 1978 be amended to read "And when so amended the bill do pass and be re-referred to the Committee on Judiciary." Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon,

S. F. No. 2016: A bill for an act relating to crimes; authorizing counties to establish victim support funds and to provide services to victims of crime; providing for a penalty assessment on convicted persons; appropriating money.

Reports the same back with the recommendation that the report from the Committee on Health, Welfare and Corrections shown in the Journal for March 4, 1978 be amended to read "And when so amended the bill do pass and be re-referred to the Committee on Judiciary." Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon,

H. F. No. 17: A bill for an act relating to elections; providing for special elections to the Minnesota legislature and the United States house of representatives; amending Minnesota Statutes 1976, Sections 202A.62, Subdivisions 1, 2 and 3; 202A.63; 202A.65, Subdivision 3; 202A.66, Subdivision 3; and 202A.67, Subdivisions 2 and 3.

Reports the same back with the recommendation that the report from the Committee on Elections shown in the Journal for March 4, 1978 be amended to read "And when so amended the bill do pass and be re-referred to the Committee on Local Government." Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Employment, to which was referred

S. F. No. 2000: A bill for an act relating to labor and employment; prohibiting mandatory retirement of public or private employees; rights and remedies of employees; amending Minnesota Statutes 1976, Sections 43.24, Subdivision 1; 69.29; 352.22, Subdivisions 1 and 2; 422A.13, Subdivision 2; and 490.124, Subdivision 1; and Chapter 181, by adding a section; and Minnesota Statutes, 1977 Supplement, Section 43.12, Subdivision 17; and 363.02, Subdivision 6; repealing Minnesota Statutes 1976, Sections 125.12, Subdivision 5; 163.07, Subdivision 2a; 354A.21; 423.075; and 423.26; and Minnesota Statutes, 1977 Supplement, Section 43.051, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes, 1977 Supplement, Section 43.051, Subdivision 1, is amended to read:

43.051 [AGE FOR RETIREMENT.] Subdivision 1. Notwithstanding the provisions of sections 197.45, 197.46, 197.47, 43.30, effective July 1, 1974, an officer or employee of the state of Minnesota in the classified or unclassified service of the state civil service and who is subject to the provisions of the Minnesota state retirement system must retire from his employment by the

state if such officer or employee has reached the age of 68 prior to July 1, 1974, or upon reaching the age of 68. Effective July 1, 1975, an officer or employee of the state of Minnesota in the classified or unclassified service of the state civil service and who is subject to the provisions of the Minnesota state retirement system must retire from his employment by the state if such officer or employee has reached the age of 65 prior to July 1, 1975, or upon reaching the age of 65 70. The mandatory retirement age for all other classified officers and employees of the state, except as provided in section 354.44, subdivision 1a, or if not otherwise provided for by law, shall be 70. Nothing in this subdivision shall apply to persons in the legislative branch or judicial branch.

Sec. 2. Minnesota Statutes 1976, Chapter 181, is amended by adding a section to read:

[181.81] *Subdivision 1. (a) Normal retirement date, when used in this section, means the date, if any, which the employer, or the employer and employee or his representative jointly, designate as the date on which all affected employees must cease service unless the employee exercises the option granted by this section to continue service.*

(b) It is unlawful for any employer, public or private, excluding the United States government and any of its instrumentalities, to refuse to hire or employ, or to discharge, dismiss, reduce in grade or position, or demote any individual on the grounds that the individual has reached a designated retirement age, except in cases where other state statutes, not including enactments of only local or special application, or federal statutes or rules compel or specifically authorize such action provided that nothing in this section shall prohibit compulsory retirement of employees who have attained 70 years of age and provided further that nothing in this section shall prohibit compulsory retirement of professional, executive, or administrative employees, as defined in rules promulgated pursuant to chapter 177, who have attained 65 years of age but not 70 years of age and who are entitled to an immediate non-forfeitable annual retirement benefit from a pension, profit sharing, savings or deferred compensation plan, or any combination of these plans, of the employer of the employee, which equal in the aggregate at least \$27,000. If the retirement benefit is in a form other than a straight life annuity, the value of the benefit shall be determined according to rules promulgated by the commissioner of labor and industry.

(c) Every employer shall notify an employee in writing at least 90 days but no more than 120 days prior to the employee's normal retirement date, if any, of the option to continue employment beyond that date. The notice shall state in a conspicuous manner that the employee must respond to the notice within 30 days or the right to continue employment beyond the normal retirement date may be waived. If the employee notifies the employer in writing within 30 days after the employer's notice to the employee of the employee's desire to continue employment beyond the normal retirement date the employer must allow employment consistent with the requirements of this section. Employment shall continue

for as long as the employee desires or until the employer demonstrates that the employee no longer can meet the bona fide requirements, consistently applied, for the job or position or until the employee reaches the compulsory retirement age established by the employer.

(d) Regardless of whether or not a normal retirement date as defined in clause (a) exists for an employee, if there exists a date on which the accrual of pension benefits or credits, or the contributions therefor by the employee or the employer, or the employee's employment related health and welfare benefits or insurance coverages are diminished or eliminated by virtue of the employee attaining a certain age, the employer shall notify the employee of the changes at least 90 but not more than 120 days prior to the effective date of the change. If a normal retirement date exists for an employee and that date is the same as the date on which pension credit accrual or health and welfare benefits or contributions are modified the notice required by this clause shall be given contemporaneously with the notice required in clause (c). This section, in and of itself, shall not be construed to require any change in the employer contribution levels of any pension or retirement plan, or to require any employer to increase an employer's or employee's payments for the provision of insurance benefits contained in any employee benefit or insurance plan.

Subd. 2. (a) The commissioner of labor and industry shall advise any inquiring parties, employee or employer, of their rights and duties under this section. Further, the commissioner may attempt to conciliate any disputes between employees and employers over the application of or alleged violations of this section.

(b) Any party aggrieved by a violation of this section may bring suit for redress in the district court wherein the violation occurred or in the district court wherein the employer is located. If a violation is found the court in granting relief may enjoin further violations and may include in its award compensation for any period of unemployment resulting from the violation together with actual and reasonable attorneys fees, and other costs incurred by the plaintiff.

(c) When a suit is commenced alleging a violation of this section the plaintiff may in the same suit attempt to show that a violation of Minnesota Statutes, Chapter 363, has also occurred and that relief under that chapter is also appropriate, providing all the procedural requirements of Minnesota Statutes, Chapter 363, have been met. Alternatively when a charge is filed or a suit commenced alleging a violation of Minnesota Statutes, Chapter 363, the plaintiff may in the same suit attempt to show that a violation of this section has occurred and that relief under this section is also appropriate. In either case, when determining whether or not a violation of Minnesota Statutes, Chapter 363, has occurred the court shall incorporate the substantive requirements of this section into any duties and rights specified by Minnesota Statutes, Chapter 363.

Sec. 3. Minnesota Statutes 1976, Section 356.32, is amended to read:

356.32 [PROPORTIONATE ANNUITY IN CERTAIN CASES.] Subdivision 1. [PROPORTIONATE RETIREMENT ANNUITY.] Notwithstanding any provision to the contrary of the laws governing any of the retirement funds enumerated referred to in subdivision 2, any person who is employed in a position covered by any such fund, who has credit for at least three years but less than ten years of allowable service in such fund or a combination of such funds, and who is required to terminate service at age 65 or earlier pursuant to a mandatory retirement statute or a uniformly applied mandatory retirement policy established by the employer, or who terminates service at age 65 or older for any reason shall be entitled upon application to a proportionate retirement annuity from each such fund in which he has allowable service credit, based upon his allowable service credit at the time of mandatory retirement; provided, however, that nothing in this section shall prevent the actuarial reduction of an annuity for which application is made prior to normal retirement age.

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) Highway patrolmen's 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 municipal employees retirement fund, established pursuant to chapter 422A any Minnesota public pension plan or fund, including any plan or fund enumerated in Minnesota Statutes, Sections 356.21, Subdivision 2, or 356.30, Subdivision 3, any local police or firefighter's relief association to which Minnesota Statutes, Sections 69.77 or 69.773, apply, or any retirement or pension plan or fund, including a supplemental retirement plan or fund, established, maintained or supported by any governmental subdivision or public body whose revenues are derived from taxation, fees, assessments or from other public sources, which provides pension or retirement coverage for public employees.

Sec. 4. Minnesota Statutes, 1977 Supplement, Section 363.02, Subdivision 6, is amended to read:

Subd. 6. [AGE.] By law or published retirement policy, a mandatory retirement age may be established without being a viola-

tion of chapter 363 , provided the age limit is established pursuant to a requirement or specific authorization found in some other state statute, not including enactments of only local or special application, or federal statute or the age is not less than 70 years. In determining whether a mandatory retirement violates chapter 363 the provisions of section 1 of this act shall be applicable. Nothing in this chapter nor in section 1 of this act shall prohibit employee pension and retirement plans from granting pension credit to employees over the age of 65 at a lesser rate than is granted to other employees, provided that in no event may an employee's accumulated pension credits be reduced by continued employment, and further provided that no other state or federal law is violated by the reduced rate of pension credit accrual . Nothing in this chapter shall be construed to prohibit the establishment of differential privileges, benefits, services or facilities for persons of designated ages if (a) such differential treatment is provided pursuant to statute, or (b) the designated age is greater than 59 years or less than 21 years.

Sec. 5. Minnesota Statutes, 1977 Supplement, Section 422A.09, Subdivision 3, is amended to read:

Subd. 3. The exempt class shall consist of:

(1) Employees who are members of any other organization or association of the city on behalf of which a tax is levied by the city for the purpose of paying retirement allowances to disabled or superannuated employees.

(2) Persons filling elective position. Provided that any elective officer holding an elective city office, excepting judges of a municipal court, shall, upon written application to the retirement board, be entitled to become a member of the contributing class of the fund, and after becoming a contributor to the fund be entitled to all benefits conferred upon employees of the contributing class except retirement on a service allowance, which shall be granted only upon completion of ten or more years of service.

All retirement allowances shall be computed and determined as provided herein, except that in determining the number of years of service, credit shall be given for time served as an elective officer or employee, or member of an executive board or commission or any combination thereof. Persons who have served in elective positions which qualified them for membership in the fund prior to July 1, 1967, and who immediately thereafter hold elective office, first being appointed to that elective office in Hennepin county in which they served as an elected official, may retain or resume membership in the fund as an elective officer of the county. The county shall collect and pay to the retirement fund the employee contribution. The employer cost of allowances and benefits credited to an elected officer as set forth above shall be paid from the county revenue fund by the proper county officials upon certification of such costs by the retirement board in the same manner as prescribed in section 422A.08 for the payment of costs by public corporations. A tax shall be levied by Hennepin county to defray the cost of such retirement allowances which

may be in addition to all other taxes levied by the county. Before receiving a retirement allowance, or any other benefit, any person who claims credit for service under this section shall contribute to the fund an amount equal to the amount of contributions to the fund which such person would have made had he been a contributor to the fund since the date he first became eligible for membership in the fund, in accordance with the method of contribution herein provided for, plus four percent compound interest.

(3) Persons serving without pay.

(4) Persons employed on a temporary basis, as doorkeepers, ticket takers, and attendants at the municipal auditorium, park recreation facilities, or like activities, employed less than 1000 hours, or its equivalent if employed on any other basis than an hourly basis, in any calendar year from January 1 to December 31, inclusive, provided that employees who are contributing members of the fund on July 1, 1959 shall not be affected by the exclusions contained in this section.

(5) A person who is exempted from the contributing class by Minnesota Statutes 1974, Section 422A.09, Subdivision 3, Clauses (4) and (5), but who is employed by and paid, in whole or in part, by the city or any of its boards, departments, or commissions, operated as a department of the city government or independently, if financed in whole or in part by city funds, including any person employed by a public corporation as herein defined, and including any person employed by the Minneapolis school district, each of whom are not a member of any other retirement system, who later becomes a contributing member of the fund may elect to qualify such time for credit by paying into the fund an amount equal to the amount of contributions to the fund which such person would have made had he been a contributor to the fund since the date he first qualified as an exempt member of the contributing class, in accordance with the method of contribution herein provided, plus four percent compound interest.

(6) Any person who is employed by the city or any of its boards, departments, commissions or a public corporation, as herein outlined, and is excluded from participation in the fund by paragraph (4) shall be separated from the service upon reaching the age of 65 70 regardless of the provisions of the veterans preference act.

Sec. 6. Minnesota Statutes 1976, Section 422A.13, Subdivision 2, is amended to read:

Subd. 2. Subject to the limitations stated in sections 422A.01 to 422A.25, any employee in the contributing class who shall have been employed by the city for ten or more years and shall have attained the established age for retirement, or shall have been employed by the city for 30 or more years all as determined by the retirement board, shall be entitled to retire. Any employee in the contributing class shall be retired upon reaching the age of 65 70 regardless of the provisions of the veterans preference act and

receive a service allowance as specified in sections 356.30, 356.32, or 422A.01 to 422A.25.

Sec. 7. Minnesota Statutes 1976, Chapter 423, is amended by adding a section to read:

[423.076] [RETIREMENT; POLICE AND FIRE DEPARTMENTS.] *A compulsory retirement age of not less than 65 years may be established for persons on the payroll of a police or fire department which does not come within the provisions of section 423.075 or 423.26 without being a violation of section 2 of this act or section 4 of this act.*

Sec. 8. *Subdivision 1. This act is effective as of June 1, 1980, subject to the following exception: no mandatory retirement program or policy established by a collective bargaining agreement between a labor organization and a private employer executed prior to the enactment date of this act which mandates retirement prior to attaining 70 years of age shall be invalidated until the earlier of either August 1, 1980, or the expiration date of the contract.*

Subd. 2. Nothing contained in this act shall be construed as requiring the rehiring or reinstatement of an employee retired pursuant to a mandatory retirement law or policy which mandates retirement prior to attaining 70 years of age prior to June 1, 1980, or in the case of private employees covered by a collectively bargained contract containing such a mandatory retirement provision, the earlier of August 1, 1980, or the expiration of the contract."

Amend the title by striking it in its entirety and inserting:

"A bill for an act relating to labor and employment; prohibiting mandatory retirement of public or private employees before the age of 70; rights and remedies of employees; amending Minnesota Statutes 1976, Sections 356.32; 422A.13, Subdivision 2; 423.075, Subdivision 1; and Chapters 181, by adding a section; 423, by adding a section and Minnesota Statutes, 1977 Supplement, Sections 43.051, Subdivision 1; 363.02, Subdivision 6; 422A.09, Subdivision 3."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1013: A bill for an act relating to public welfare; neglected children; defining and providing procedures for termination of parental rights as to neglected children in foster care.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Chapter 257, is amended by adding a section to read:

[257.071] [CHILDREN IN FOSTER HOMES; PLACEMENT; REVIEW.] *Subdivision 1. [PLACEMENT; PLAN.] A case plan shall be prepared within 30 days after any child is placed in a foster home by court order or by the voluntary release of the child by his natural parent or parents. By July 1, 1979, a case plan shall be prepared for each child who was residing in a foster home on July 1, 1978 and who has not been returned to the home of his natural parent or parents.*

For the purposes of this section, a case plan means a written document signed by the natural parent or parents of the child, the child's legal guardian, the social service agency responsible for the foster home placement, and, if possible, the child. The document shall be explained to all persons involved in its implementation, including the child who has signed the document, and shall set forth:

(1) The specific reasons for the placement of the child in a foster home, including a description of the problems or conditions in the home of the natural parent or parents which necessitated removal of the child from his home;

(2) The specific actions to be taken by the natural parent or parents of the child to eliminate or correct the problems or conditions identified in clause (1), and the time period during which the actions are to be taken;

(3) The financial responsibilities and obligations, if any, of the natural parents for the support of the child during the period the child is in the foster home;

(4) The visitation rights and obligations of the natural parent or parents during the period the child is in the foster home;

(5) The social and other supportive services to be provided to the natural parent or parents of the child, the child, and the foster parents during the period the child is in the foster home;

(6) The date on which the child is expected to be returned to the home of his natural parent or parents;

(7) The nature of the effort to be made by the social service agency responsible for the placement to reunite the family; and

(8) Notice to the natural parent or parents that placement of the child in foster care may result in termination of parental rights but only after notice and a hearing as provided in chapter 260.

The natural parent or parents and the child shall have the right to legal counsel in the preparation of the case plan. If unable to employ counsel from their own resources, the court shall appoint counsel upon the request of the natural parent or parents or the child or his legal guardian. The natural parent or parents may also receive assistance from any person or social service agency in preparation of the case plan.

After the plan has been agreed upon by the parties involved, the foster parents shall be fully informed of the provisions of the case

plan, knowledge of which is necessary to elicit their full cooperation.

Subd. 2. [SIX MONTH REVIEW OF VOLUNTARY PLACEMENTS.] If the child has been placed in a foster home pursuant to a voluntary release by his natural parent or parents, the case plan shall be reviewed by the persons involved in its preparation 180 days after the initial placement of the child in a foster home if the child is not returned to the home of his natural parent or parents within that time.

Subd. 3. [18 MONTH REVIEW OF VOLUNTARY PLACEMENTS.] If the child has been placed in a foster home pursuant to a voluntary release by his natural parent or parents, and is not returned to his home within 18 months after his initial placement in the foster home, the social service agency responsible for the placement shall:

(a) Return the child to the home of his natural parent or parents; or

(b) File an appropriate petition pursuant to section 260.131 or 260.231.

Sec. 2. Minnesota Statutes 1976, Section 259.29, is amended to read:

259.29 [EFFECT OF ADOPTION.] *Subdivision 1. Upon adoption, such the child shall become the legal child of the persons adopting him, and they shall become his legal parents with all the rights and duties between them of natural parents and legitimate child. By virtue of such the adoption he shall inherit from his adoptive parents or their relatives the same as though he were the legitimate child of such the parents, and in case of his death intestate the adoptive parents and their relatives shall inherit his estate as if they had been his natural parents and relatives in fact. After a decree of adoption is entered the natural parents of an adopted child shall be relieved of all parental responsibilities for such the child, and they shall not exercise or have any rights over such the adopted child or his property. The child shall not owe his natural parents or their relatives any legal duty nor shall he inherit from his natural parents or kindred. Notwithstanding any other provisions to the contrary in this section, the adoption of a child by his step-parent shall not in any way change the status of the relationship between the child and his natural parent who is the spouse of the petitioning step-parent.*

Subd. 2. Notwithstanding the provisions of subdivision 1, the adoption of a child whose natural parent or parents are enrolled in an American Indian tribe shall not change the child's enrollment in that tribe.

Sec. 3. Minnesota Statutes 1976, Section 260.015, is amended by adding a subdivision to read:

Subd. 18. "Neglected and in foster care" means a child

(a) Who has been placed in foster care by court order; and

(b) Whose parents' circumstances, condition, or conduct are such that the child cannot be returned to them; and

(c) Whose parents, despite the availability of needed rehabilitative services, have failed to make reasonable efforts to adjust their circumstances, condition or conduct, or have willfully failed to meet reasonable expectations with regard to visiting the child or providing financial support for the child.

Sec. 4. Minnesota Statutes 1976, Section 260.111, Subdivision 1, is amended to read:

260.111 [JURISDICTION.] Subdivision 1. [CHILDREN WHO ARE DELINQUENT, NEGLECTED, DEPENDENT OR NEGLECTED AND IN FOSTER CARE.] Except as provided in section 260.125, the juvenile court has original and exclusive jurisdiction in proceedings concerning any child who is alleged to be delinquent, a juvenile traffic offender, neglected, *neglected and in foster care*, or dependent, and in proceedings concerning any minor alleged to have been a delinquent or a juvenile traffic offender prior to having become eighteen years of age. The juvenile court shall deal with such a minor as it deals with any other child who is alleged to be delinquent or a juvenile traffic offender.

Sec. 5. Minnesota Statutes 1976, Section 260.131, Subdivision 1, is amended to read:

260.131 [PETITION.] Subdivision 1. Any reputable person, including but not limited to any agent of the commissioner of public welfare, having knowledge of a child in this state or of a child who is a resident of this state, who appears to be delinquent, neglected, or dependent, or *neglected and in foster care*, may petition the juvenile court in the manner provided in this section.

Sec. 6. Minnesota Statutes 1976, Section 260.155, is amended by adding a subdivision to read:

Subd. 7. In determining whether a child is neglected and in foster care, the court shall consider, among other factors, the following:

(1) The length of time the child has been in foster care;

(2) The effort the parent has made to adjust his circumstances, conduct, or condition to make it in the child's best interest to return him to his home in the foreseeable future, including the use of rehabilitative services offered to the parent;

(3) Whether the parent has visited the child within nine months, unless it was physically or financially impossible for the parent to visit or not in the best interests of the child to be visited by the parent;

(4) The maintenance of regular contact or communication with the agency or person temporarily responsible for the child;

(5) The appropriateness and adequacy of services provided or offered to the parent to facilitate a reunion;

(6) Whether additional services would be likely to bring about

lasting parental adjustment enabling a return of the child to the parent within an ascertainable period of time; and

(7) The nature of the effort made by the responsible social service agency to rehabilitate and reunite the family.

Sec. 7. Minnesota Statutes 1976, Section 260.191, Subdivision 1, is amended to read:

260.191 [DISPOSITIONS; CHILDREN WHO ARE NEGLECTED, DEPENDENT, OR NEGLECTED AND IN FOSTER CARE.] Subdivision 1. If the court finds that the child is neglected, or dependent, or neglected and in foster care, it shall enter an order making any of the following dispositions of the case:

(a) Place the child under the protective supervision of the county welfare board or child placing agency in his own home under conditions prescribed by the court directed to the correction of the neglect or dependency of the child;

(b) Transfer legal custody to one of the following:

(1) A child placing agency; or

(2) The county welfare board;

(c) If the child is in need of special treatment and care for his physical or mental health, the court may order the child's parent, guardian, or custodian to provide it. If the parent, guardian, or custodian fails to provide this treatment or care, the court may order it provided.

Any order for a disposition authorized under this section shall contain written findings of fact to support the disposition ordered, and shall also set forth in writing the following information:

(a) Why the best interests of the child are served by the disposition ordered; and

(b) What alternative dispositions were considered by the court and why such dispositions were not appropriate in the instant case.

Sec. 8. Minnesota Statutes 1976, Section 260.191, Subdivision 4, is amended to read:

Subd. 4. When it is in the best interests of the child or his parents to do so and when either the allegations contained in the petition have been admitted, or when a hearing has been held as provided in section 260.155 and the allegations contained in the petition have been duly proven, before a finding of neglect or dependency or a finding that a child is neglected and in foster care has been entered the court may continue the case for a period not to exceed 90 days on any one order. Such a continuance may be extended for one additional successive period not to exceed 90 days and only after the court has reviewed the case and entered its order for an additional continuance without a finding that the child is neglected, dependent, or neglected and in foster care of neglect or dependency. During this continuance

the court may enter any order otherwise permitted under the provisions of this section.

Sec. 9. Minnesota Statutes 1976, Section 260.181, Subdivision 3, is amended to read:

Subd. 3. [PROTECTION OF RELIGIOUS AND ETHNIC AFFILIATION.] The court, in transferring legal custody of any child or appointing a guardian for him under the laws relating to juvenile courts, shall place him so far as it deems practicable in the legal custody or guardianship of some individual holding the same religious belief *and the same ethnic origin* as the parents of the child, or with some association which is controlled by persons of like religious faith *and ethnic origin with as* the parents. *The court may require the county welfare agency to continue efforts to find a guardian of like religious faith or ethnic origin when such a guardian is not immediately available.*

Sec. 10. Minnesota Statutes 1976, Section 260.221, is amended to read:

260.221 [GROUNDS FOR TERMINATION OF PARENTAL RIGHTS.] The juvenile court may, upon petition, terminate all rights of parents to a child in the following cases:

(a) With the written consent of parents who for good cause desire to terminate their parental rights; or

(b) If it finds that one or more of the following conditions exist:

(1) That the parents have abandoned the child; or

(2) That the parents have substantially and continuously or repeatedly refused to give the child necessary parental care and protection; or

(3) That, although the parents are financially able, they have substantially and continuously neglected to provide the child with necessary subsistence, education, or other care necessary for his physical or mental health or morals or have neglected to pay for such subsistence, education or other care when legal custody is lodged with others; or

(4) That the parents are unfit by reason of debauchery, intoxication or habitual use of narcotic drugs, or repeated lewd and lascivious behavior, or other conduct found by the court to be likely to be detrimental to the physical or mental health or morals of the child; or

(5) That following upon a determination of neglect or dependency, reasonable efforts, under the direction of the court, have failed to correct the conditions leading to the determination; or

(6) That in the case of an illegitimate child the person is not entitled to notice of an adoption hearing under section 259.26 and either the person has not filed a notice of his intention to retain parental rights under section 259.261 or that such notice has been successfully challenged; or

(7) *That the child is neglected and in foster care.*

Sec. 11. Minnesota Statutes 1976, Section 260.235, is amended to read:

260.235 [DISPOSITION; PARENTAL RIGHTS NOT TERMINATED.] If, after a hearing, the court does not terminate parental rights but determines that conditions of neglect or dependency exist, *or that the child is neglected and in foster care*, the court may find the child neglected, or dependent, *or neglected and in foster care* and may enter an order in accordance with the provisions of section 260.191.

Sec. 12. Minnesota Statutes 1976, Section 260.291, Subdivision 1, is amended to read:

260.291 [APPEAL.] Subdivision 1. [PERSONS ENTITLED TO APPEAL; PROCEDURE.] An appeal may be taken by the aggrieved person from a final order affecting a substantial right of the aggrieved person, including but not limited to an order adjudging a child to be dependent, neglected, *neglected and in foster care*, delinquent, or a juvenile traffic offender. The appeal shall be taken within 30 days of the filing of the appealable order. The clerk of court shall notify the person having legal custody of the minor of the appeal. Failure to notify the person having legal custody of the minor shall not affect the jurisdiction of the appellate court. The order of the juvenile court shall stand, pending the determination of the appeal, but the reviewing court may in its discretion and upon application stay the order.

Sec. 13. [REPEALER.] *Minnesota Statutes 1976, section 257.07, is repealed.*

Sec. 14. [EFFECTIVE DATE.] *This act is effective July 1, 1978.*"

Amend the title as follows:

Strike the title in its entirety and insert:

"A bill for an act relating to children; requiring the preparation of case plans for children placed in foster care; permitting termination of parental rights as to children who are neglected and in foster care; amending Minnesota Statutes 1976, Sections 259.29; 260.015, by adding a subdivision; 260.111, Subdivision 1; 260.131, Subdivision 1; 260.155, by adding a subdivision; 260.191, Subdivisions 1 and 4; 260.181, Subdivision 3; 260.221; 260.235; and 260.291, Subdivision 1; and Chapter 257, by adding a section; repealing Minnesota Statutes 1976, Section 257.07."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1464: A bill for an act relating to charitable trusts; regulating the solicitation of charitable funds; clarifying and

revising registration, filing and reporting requirements; coordinating charitable solicitations with general trust provisions; defining terms; amending Minnesota Statutes 1976, Section 309.50, Subdivisions 3, 4 and 10; 309.515, Subdivision 1; 309.52, Subdivision 4; 309.53, Subdivisions 1a, 3 and 4; 309.532, Subdivisions 1 and 2; 309.555, Subdivisions 1, 2 and 3, and by adding a subdivision; 501.72; 501.74; 501.75; 501.76; 501.77; 501.78, Subdivisions 1, 2 and 4; 501.79, Subdivision 5; 501.81; and Chapter 525, by adding a section; repealing Minnesota Statutes 1976, Section 501.79, Subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 309.50, Subdivision 3, is amended to read:

Subd. 3. "Charitable purpose" means ~~and includes~~ any charitable, benevolent, philanthropic, patriotic, religious, social service, welfare, educational, ~~or~~ eleemosynary, *cultural, artistic, or public interest* purpose, either actual or purported.

Sec. 2. Minnesota Statutes 1976, Section 309.50, Subdivision 4, is amended to read:

Subd. 4. "Charitable organization" means any person who engages in or purports to engage in solicitation for a charitable purpose and includes each local county or area division within the state of such charitable organization, ~~provided such local county or area division has authority and discretion to disburse funds or property otherwise than by transfer to any parent organization a chapter, branch, area office or similar affiliate or any person soliciting contributions within the state for a parent charitable organization, but does not include an organization whose primary purpose is supporting or opposing any candidate for elective office, or influencing the nomination for election or the election of any candidate for elective office~~.

Sec. 3. Minnesota Statutes 1976, Section 309.50, Subdivision 10, is amended to read:

Subd. 10. "Solicit" and "solicitation" mean the request directly or indirectly for any contribution, *regardless of which party initiates communication*, on the plea or representation that such contribution will or may be used for any charitable purpose, and also mean and include any of the following methods of securing contributions:

- (1) Oral or written request;
- (2) The distribution, circulation, mailing, posting, or publishing of any handbill, written advertisement, or publication;
- (3) The making of any announcement to the press; over the radio, by television, by telephone, or telegraph concerning an appeal, assemblage, athletic or sports event, bazaar, benefit, cam-

paign, contest, dance, drive, entertainment, exhibition, exposition, party, performance, picnic, sale, or social gathering, which the public is requested to patronize or to which the public is requested to make a contribution;

(4) The sale of, offer, or attempt to sell, any advertisement, advertising space, book, card, magazine, merchandise, subscription, ticket of admission, or any other thing, or the use of the name of any charitable person in any offer or sale as an inducement or reason for purchasing any such item, or the making of any statement in connection with any such sale, that the whole or any part of the proceeds from any such sale will be used for any charitable purpose. A "solicitation" as defined herein shall be deemed completed when made, whether or not the person making the same receives any contribution or makes any such sale.

Sec. 4. Minnesota Statutes 1976, Section 309.50, is amended by adding subdivisions to read:

Subd. 11. "Management and general costs" means costs determined to be management and general by generally accepted accounting principles.

Subd. 12. "Fund raising costs" means costs determined to be fund raising by generally accepted accounting principles.

Sec. 5. Minnesota Statutes 1976, Section 309.515, Subdivision 1, is amended to read:

309.515 [EXEMPTIONS.] Subdivision 1. Subject to the provisions of subdivisions 2 and 3, sections 309.52 and 309.53 shall not apply to any of the following:

(a) Charitable organizations:

(1) which did not receive total contributions in excess of \$2,000 \$10,000 from the public within or without this state during the accounting year last ended, and

(2) which do not plan to receive total contributions in excess of such amount from the public within or without this state during any accounting year, and

(3) whose functions and activities, including fund raising, are performed wholly by persons who are unpaid for their services, and

(4) none of whose assets or income inure to the benefit of or are paid to any officer.

For purposes of this chapter, a charitable organization shall be deemed to receive in addition to such contributions as are solicited from the public by it, such contributions as are solicited from the public by any other person and transferred to it. Any organization constituted for a charitable purpose receiving an allocation from a community chest, united fund or similar organization shall be deemed to have solicited that allocation from the public.

(b) Any group or association serving a bona fide religious pur-

pose when the solicitation is connected with such a religious purpose, nor shall such sections apply when the solicitation for such a purpose is conducted for the benefit of such a group or association by any other person with the consent of such group or association. Nothing contained in sections 309.50 to 309.61 shall prevent such a group or association or any such other person from voluntarily filing a registration statement or annual report under sections 309.52 and 309.53. A religious society or organization which received more than half of the contributions it received in the accounting year last ended (1) from persons who are members of the organization; or (2) from a parent organization or affiliated organization; or (3) from a combination of the sources listed in clauses (1) and (2). A religious society or organization which solicits from its religious affiliates who are qualified under this subdivision and who are represented in a body or convention is exempt from the requirements of sections 309.52 and 309.53. The term "member" shall not include those persons who are granted a membership upon making a contribution as a result of a solicitation.

(c) Any educational institution which is under the general supervision of the state board of education, the state university board, the state board for community colleges, or the university of Minnesota or any educational institution which is accredited by the university of Minnesota or the North Central association of colleges and secondary schools, or by any other national or regional accrediting association.

(d) A fraternal, patriotic, social, educational, alumni, professional, trade or learned society which limits solicitation of contributions to persons who have a right to vote as a member. The term "member" shall not include those persons who are granted a membership upon making a contribution as the result of a solicitation.

(e) A charitable organization soliciting contributions for any person specified by name at the time of the solicitation if all of the contributions received are transferred to the person named with no restrictions on his expenditure of it and with no deductions whatsoever.

(f) A private foundation, as defined in section 509(a) of the Internal Revenue Code of 1954, which did not solicit contributions from more than 100 persons during the accounting year last ended.

Sec. 6. Minnesota Statutes 1976, Section 309.52, Subdivision 1a, is amended to read:

Subd. 1a. A charitable organization whose total contributions received during any accounting year are in excess of \$2,000 \$10,000 shall file a registration statement with the department within 30 days after the date on which the organization's total contributions exceeded \$2,000 \$10,000. The registration shall exist unless revoked by a court of competent jurisdiction, or the department, or as provided in subdivision 7. This subdivision shall

not apply to a charitable organization which had filed a registration statement pursuant to this section for the accounting year last ended or to organizations described in section 309.515, subdivision 1.

Sec. 7. Minnesota Statutes 1976, Section 309.52, Subdivision 4, is amended to read:

Subd. 4. Where any ~~local county or area division chapter, branch, area office or similar affiliate~~ of a charitable organization is supervised and controlled by a superior or parent organization located within or outside the state, ~~such local county or area division shall not be required to register under this section if the superior or parent organization files a registration statement on behalf of the local county or area division the affiliate may file a registration statement on behalf of the parent organization in addition to or as part of its own registration statement, or the parent organization may file a registration statement on behalf of the affiliate in addition to or as part of its own registration statement.~~

Sec. 8. Minnesota Statutes 1976, Section 309.53, Subdivision 1, is amended to read:

309.53 [ANNUAL REPORT.] Subdivision 1. Except as otherwise provided in subdivision 1a of this section, every charitable organization required to file a registration statement pursuant to section 309.52 shall file an annual report with the department of commerce upon forms provided by the department or on forms identical thereto on or before June 30 of each year if its books are kept on a calendar year basis, or within six months after the close of its fiscal year if its books are kept on a fiscal year basis. For cause shown the department may extend the time for filing the annual report for a period not to exceed three months. The annual report shall be accompanied by a filing fee of \$10 which shall be deposited in the state treasury.

Sec. 9. Minnesota Statutes 1976, Section 309.53, Subdivision 3, is amended to read:

Subd. 3. ~~Such~~ *The* financial statement shall include a balance sheet, and statement of income and expense, ~~and statement of functional expenses,~~ shall be consistent with forms furnished by the department, and shall be prepared in accordance with generally accepted accounting principles so as to make a full disclosure of the following, including necessary allocations between each item and the basis of such allocations:

(a) Total receipts and total income from all sources; broken down into total receipts and income from each separate solicitation project or source;

(b) Cost of ~~administration management and general~~;

(c) Cost of ~~solicitation fund raising~~;

(d) Cost of programs designed to inform or educate the public education;

(e) Funds or properties transferred out of state, with explanation as to recipient and purpose;

(f) Total net amount disbursed or dedicated within this state, broken down into total amounts disbursed or dedicated for each major purpose, charitable or otherwise;

(g) Names of professional fund raisers used during the accounting year and the financial compensation or profit resulting to each professional fund raiser. *Unless otherwise required by this subdivision, the financial statement need not be certified.*

A financial statement of a charitable organization which has solicited from the public within or outside this state total contributions in excess of \$25,000 for the 12 months of operation covered by the statement shall be accompanied by an opinion signed by a certified public accountant that such statement fairly represents the financial operations of the charitable organization in sufficient detail to permit public evaluation of its operations. In giving such opinion the certified public accountant shall take into consideration capital, endowment or other reserve funds, if any, controlled by the charitable organization. The opinion need not conform to the wording of the opinion form of the annual report forms provided by the department.

Sec. 10. Minnesota Statutes 1976, Section 309.53, Subdivision 4, is amended to read:

Subd. 4. Where a registration statement has been filed by a superior or parent organization or affiliate as provided in section 309.52, subdivision 4, ~~it shall the registered parent organization may file the annual report required under this section on behalf of the local county or area division chapter, branch, area office, similar affiliate or person in addition to or as part of its own report, but or the registered affiliate may file the annual report required under this section on behalf of the parent organization in addition to or as part of its own report.~~ The accounting information required under this section shall be set forth separately and not in consolidated form with respect to every local county or area division chapter, branch, area office, similar affiliate or person within the state which raises or expends more than \$5,000 \$10,000. *The department of commerce may permit any chapter, branch, area office, similar affiliate or person to file a consolidated statement with any other chapter, branch, area office, similar affiliate or person or parent organization if the attorney general determines that the interests of the charitable beneficiaries will not be prejudiced thereby and that separate accounting information is not required for proper supervision.*

Sec. 11. Minnesota Statutes 1976, Chapter 309, is amended by adding a section to read:

[309.533] [INVESTIGATIONS; PROCEEDINGS.] *Subdivision 1. The commissioner in his discretion.*

(a) *may make public or private investigations within or outside the state as he deems necessary to determine whether any person*

has violated or is about to violate any provision of sections 309.50 to 309.61 or any rule or order thereunder, or to aid in the enforcement of sections 309.50 to 309.61 in the prescribing of rules and forms thereunder, and may publish information, concerning the violation of sections 309.50 to 309.61 or any rule or order thereunder.

(b) may require or permit any person to file a statement in writing, under oath or otherwise as the commissioner determines, as to all facts and circumstances concerning the matter being investigated.

Subd. 2. For the purpose of any investigation or proceeding under sections 309.50 to 309.61, the commissioner or any person designated by him may administer oaths and affirmations, subpoena witnesses and compel their attendance, take evidence and require the production of any books, papers, correspondence, memoranda, agreements or other documents or records which the commissioner deems relevant or material to the inquiry.

Subd. 3. No person is excused from attending and testifying or from producing any document or record before the commissioner, in obedience to the subpoena of the commissioner or any person designated by him in any proceedings instituted by the commissioner, on the ground that the testimony or evidence required of him may tend to incriminate him or subject him to a penalty or forfeiture, but no individual may be prosecuted or subjected to any penalty or forfeiture for an account of any transaction, matter or thing concerning which he is compelled, after claiming his privilege against self incrimination, to testify or produce evidence, except that the individual testifying is not exempt from prosecution and punishment for perjury or contempt committed in testifying.

Subd. 4. In case of contumacy by, or refusal to obey a subpoena to, any person, the district court, upon application by the commissioner, may issue to the person an order directing him to appear before the commissioner or the officer designated by him, there to produce documentary evidence if so ordered or to give evidence touching the matter under investigation or in question. Failure to obey the order of the court may be punished by the court as a contempt of court.

Sec. 12. Minnesota Statutes 1976, Chapter 309, is amended by adding a section to read:

[309.534] [CEASE AND DESIST ORDERS; INJUNCTIONS; RECEIVERS.] *Subdivision 1. Whenever it appears to the commissioner that any person has engaged or is about to engage in any act or practice constituting a violation of this chapter or any rule or order hereunder:*

(a) He shall have the power to issue and cause to be served upon the person an order requiring him to cease and desist from violations of sections 309.50 to 309.61. The order shall be calculated to give reasonable notice of the rights of the person to request a hearing thereon and shall state the reason for the entry of the order. A hearing shall be held not later than seven days

after the request for the hearing is received by the commissioner after which and within 20 days of the date of the hearing the commissioner shall issue a further order vacating the cease and desist order or making it permanent as the facts require. All hearings shall be conducted in accordance with the provisions of chapter 15. If the person to whom a cease and desist order is issued fails to appear at the hearing after being duly notified, the person shall be deemed in default, and the proceeding may be determined against him upon consideration of the cease and desist order, the allegations of which may be deemed to be true. The commissioner may adopt rules of procedure concerning all proceedings conducted pursuant to this subdivision.

(b) He may bring an action in the district court in the appropriate county to enjoin the acts or practices and to enforce compliance with sections 309.50 to 309.61 or any rule or order thereunder and he may refer the matter to the attorney general. This section shall in no way alter the authority of the attorney general to prosecute violations as set forth in sections 309.57 and 309.59. Upon a proper showing, a permanent or temporary injunction, restraining order or writ of mandamus shall be granted and a receiver may be appointed for the defendant or the defendant's assets. The court may not require the commissioner to post a bond.

Subd. 2. In any proceeding under the provisions of sections 309.50 to 309.61 in relation to injunction or receivership, the same may be brought on for hearing and disposition upon an order to show cause returnable upon not more than eight days notice to the defendant therein. The cases shall have precedence over other cases upon the court calendar, and shall not be continued without the consent of the state, except upon good cause shown to the court, and then only for the reasonable length of time necessary in the opinion of the court to protect the rights of the defendant party.

Sec. 13. Minnesota Statutes 1976, Section 309.555, is amended to read:

309.555 [LIMITATIONS ON CHARITABLE EXPENDITURES.] Subdivision 1. Except as provided in subdivision 2, no charitable organization shall pay or agree to pay to any professional fund raiser as compensation for his services or as reimbursement for expenses, or both, an amount in excess of 30 percent of the gross amount of moneys, funds, pledges or other property raised or received by such professional fund raiser in the name of the charitable organization.

Subd. 1a. Any charitable organization which is required to register pursuant to section 309.52 and which expends or agrees to expend an unreasonable amount for management and general costs and fund raising costs shall not be eligible to maintain registration with the department. An amount expended or agreed to be expended by a charitable organization for management and general costs and fund raising costs in excess of 30 percent of total income and revenue is presumed to be an unreasonable

amount. An amount expended or agreed to be expended by a charitable organization for management and general costs and fund raising costs of 30 percent or less of total income and revenue may be challenged as unreasonable by the department or the attorney general. Any expenditures made in violation of this provision shall be recoverable from the charitable organization by the attorney general.

Subd. 1b. Any professional fund raiser who receives or agrees to receive an unreasonable amount for management and general costs and fund raising costs shall not be eligible to maintain a license with the department. An amount received or agreed to be received by a professional fund raiser for management and general costs and fund raising costs in excess of 30 percent of the total contributions raised or received by reason of any solicitation activities is an unreasonable amount. An amount received or agreed to be received by a professional fund raiser for management and general costs and fund raising costs of 30 percent or less of the total contribution raised or received by reason of any solicitation activities may be challenged as unreasonable by the department or the attorney general. Any expenditures made in violation of this provision shall be recoverable by the attorney general from the charitable organization or professional fund raiser or both.

Subd. 2. In the event that goods or services are provided to the public in connection with charitable solicitation, when a professional fund raiser is employed, no charitable organization or professional fund raiser shall pay or agree to pay to any professional fund raiser as compensation for his services or as reimbursement of expenses, or both, expend or agree to expend an unreasonable amount for management and general costs and fund raising costs, which is presumed to be an amount in excess of 30 percent of the difference between the cost to the charitable organization of all goods and services sold by the professional fund raiser and the amount for which said goods and services are sold.

Subd. 3. Compensation paid or agreed to be paid to a professional fund raiser shall include the reasonable cost of any expense, whether in money or in kind, incurred by a charitable organization pursuant to an agreement or contract with a professional fund raiser for the solicitation of charitable contributions. Expenditures made or agreed to be made for management and general costs or fund raising costs shall include payments made or agreed to be made to professional fund raisers as compensation for services or reimbursement for expenses, or both. A charitable organization shall be deemed to have paid expended or agreed to pay expend any portion of such moneys, funds, pledges or other properties contributions retained by the professional fund raiser pursuant to a contract with the charitable organization. Expenditures made or agreed to be made for management and general costs or fund raising costs shall also include payments made or agreed to be made to employees of the charitable organization and other persons.

Subd. 4. No person shall use the name of a charitable organization for financial compensation or profit unless the charitable organization has consented to the use of its name in a contract with the person. The contract shall:

(a) be in writing, and a copy thereof shall be filed with the department within seven days of the date of execution;

(b) disclose the amount of financial compensation or profit to be retained by the person;

(c) disclose the percentage of the total gross amount of moneys, funds, pledges or other property raised or received or to be raised or received in connection with the use of the name of the charitable organization which will be given to the charitable organization.

Subd. 5. In an action brought by the department or the attorney general pursuant to sections 309.532 or 309.57, a charitable organization may interpose as a defense to a violation of section 309.555 that fund raising costs and management and general costs in excess of 30 percent are reasonable because of extenuating or mitigating circumstances.

Sec. 14. Minnesota Statutes 1976, Section 309.56, Subdivision 1, is amended to read:

309.56 [SERVICE OF PROCESS.] Subdivision 1. Any charitable organization or professional fund raiser which solicits contributions in this state, but does not maintain an office within the state shall be subject to service of process, as follows:

(a) By service thereof on its registered agent within the state, or if there be no such registered agent, then upon the person who has been designated in the registration statement as having custody of books and records within this state; where service is effected upon the person so designated in the registration statement a copy of the process shall, in addition, be mailed to the charitable organization or professional fund raiser at its last known address;

(b) When a charitable organization or professional fund raiser has solicited contributions in this state, but maintains no office within the state, has no registered agent within the state, and no designated person having custody of its books and records within the state, or when a registered agent or person having custody of its books and records within the state cannot be found as shown by the return of the sheriff of the county in which such registered agent or person having custody of books and records has been represented by the charitable organization or professional fund raiser as maintaining an office, service may be made by delivering to and leaving with the commissioner of securities of the department of commerce three copies thereof and a fee of \$6 leaving a copy of the process in the office of the commissioner. Service upon the commissioner is not effective unless (a) the plaintiff, who may be the commissioner in a suit, action, or proceeding instituted by him, forthwith sends notice of the service and a copy of the process by registered mail to the defendant or respondent at his last known address or takes other steps which are reason-

ably calculated to give actual notice, and (b) the plaintiff's affidavit of compliance with this subdivision is filed in the case on or before the return day of the process, if any, or within a further time the court allows .

~~(e) Following service upon the commissioner of securities of the department of commerce the provisions of law relating to service of process on foreign corporations contained in Minnesota Statutes 1957, Section 303.13, Subdivisions 2, 3, 4, and 5, shall thereafter govern.~~

Sec. 15. Minnesota Statutes 1976, Section 501.74, is amended to read:

501.74 [EXCLUSIONS.] The registration and reporting provisions of sections 501.75 and 501.76 shall not apply to

(a) A charitable trust administered by the United States, any state, territory or possession of the United States, the District of Columbia, the Commonwealth of Puerto Rico or to any of their agencies or subdivisions.

(b) An educational institution which is under the general supervision of the state board of education, the state university board, the state board for community colleges, or the university of Minnesota or the north central association of colleges and secondary schools, or by any other national or regional accrediting association, and all charitable trusts organized and operated exclusively for educational purposes which are administered by any such institution.

(c) Religious associations organized pursuant to chapters 315 and 317 and all charitable trusts organized and operated exclusively for religious purposes which are administered by any such religious association.

(d) Institutions and corporations organized and operated as hospitals or as medical centers engaged in medical care, education and research.

(e) An organization described in section 509(a) (3) of the Internal Revenue Code of 1954 which is operated, supervised or controlled by or in connection with one or more organizations described in clauses (b) to (d) of this section; a pooled income fund as defined in section 642(c) (5) of the Internal Revenue Code of 1954 which is maintained by an organization described in clauses (b) to (d) of this section, and a charitable remainder annuity trust or unitrust, as defined in section 664 of the Internal Revenue Code of 1954 ; of which the trustee is an organization described in clauses (b) to (d) of this section .

(f) A trust in which the only charitable interest is a contingent interest for which no charitable deduction has been allowed for

Minnesota income, inheritance or gift tax purposes and a trust not all of the unexpired interests in which are devoted to one or more charitable purposes and in which the only charitable interest is an annuity or an income interest with respect to which a charitable deduction is allowed the trust under applicable Minnesota income tax laws.

(g) An organization which does not have at least \$5,000 \$10,000 of gross assets at any time during a taxable year and which normally receives more than two thirds of its support each year from the general public or from the United States, any state, territory or possession of the United States, the District of Columbia, the Commonwealth of Puerto Rico or any of their agencies .

(h) Any organization which is subject to the requirements of sections 309.50 to 309.61.

(i) A trust for individual and charitable beneficiaries which is described in section 4947(a)(2) of the Internal Revenue Code of 1954, also known as a split-interest trust.

(j) A charitable gift, bequest or devise not held and continued by a private express trust or corporation even though the gift, bequest or devise creates a fiduciary relationship, unless there is no named charitable beneficiary in existence or unless a named charitable beneficiary elects in a writing filed with the attorney general and with the fiduciary to come within the provisions of sections 501.75 and 501.76.

Sec. 16. Minnesota Statutes 1976, Section 501.75, is amended to read:

501.75 [REGISTER OF TRUSTS AND TRUSTEES.] Subdivision 1. The secretary of state securities division of the department of commerce shall establish and maintain a register of charitable trusts and trustees subject to the provisions of sections 501.71 to 501.81. All registrations, annual reports and other filings made pursuant to sections 501.71 to 501.81 shall be transferred by the secretary of state to the securities division of the department of commerce. All registrations and annual reports filed with the secretary of state shall remain in effect as if there had been no transfer in the register.

Subd. 2. Every charitable trust subject to the provisions of sections 501.71 to 501.81 shall register and file with the secretary of state securities division a copy of the instrument creating the charitable trust, including any amendments thereto, within three months after the charitable trust first receives possession or control of any property authorized or required to be applied, either at present or in the future, for charitable purposes. If a trustee holds any property on August 1, 1975, which is authorized or required to be applied, either at present or in the future, for charitable purposes, the filing and registration shall be made within three months after August 1, 1975.

Sec. 17. Minnesota Statutes 1976, Section 501.76, is amended to read:

501.76 [FILING OF ANNUAL REPORTS.] Subdivision 1. Every charitable trust subject to the provisions of sections 501.71 to 501.81 shall, in addition to filing copies of the instruments previously required, file with the *secretary of state securities division of the department of commerce* annual written reports setting forth any information as described in *section the trust is required to report pursuant to sections 6056(b) 6033, 6034 and 6056* of the Internal Revenue Code of 1954. These reports shall be filed annually on or before the fifteenth day of the fifth month following the close of the charitable trust's taxable year as established for federal tax purposes. The time for filing may be extended by application to the *secretary of state securities division*, but no such extension shall be for more than six months. *A charitable trust which files the information required under this subdivision with the securities division is not required to file the same information with the commissioner of revenue.*

Subd. 2. The *secretary of state securities division* may suspend the filing of reports as to a particular charitable trust for a reasonable, specifically designated time upon written application of the trustee filed with the *secretary of state securities division* and after the attorney general has filed in the register of charitable trusts a written statement that the interests of the beneficiaries will not be prejudiced thereby and that annual reports are not required for proper supervision by his office.

Sec. 18. Minnesota Statutes 1976, Section 501.77, is amended to read:

501.77 [PUBLIC INSPECTION OF RECORDS.] The register, copies of instruments, and the reports filed with the *secretary of state securities division of the department of commerce* shall be open to public inspection.

Sec. 19. Minnesota Statutes 1976, Section 501.78, Subdivision 1, is amended to read:

501.78 [INVESTIGATORY POWERS OF THE ATTORNEY GENERAL; CUSTODIANS TO FURNISH COPIES OF RECORDS.] Subdivision 1. The attorney general may conduct investigations reasonably necessary for the administration of sections 501.71 to 501.81 and for the purpose of determining whether the property held for charitable purposes is properly administered. He may require any *agent, trustee, fiduciary, beneficiary, institution, association, or corporation or other person, to answer written interrogatories reasonably related to the administration of a charitable trust, or to appear, at a reasonable time and place as the attorney general may designate, to give information under oath and to produce books, memoranda, papers, documents of title, and evidence of assets, liabilities, receipts or disbursements in the possession or control of the person ordered to appear. In connection with an investigation under this section the attorney general may obtain discovery from any agent, trustee, fiduciary, beneficiary, institution, association, corporation or other person regarding any matter, fact or circumstance, not privileged, which is relevant to the subject matter involved in the investigation, in accordance*

with the provisions of this subdivision. The discovery may be obtained without commencement of a civil action and without leave of court, except as expressly required by the provisions of subdivision 2. The applicable protective provisions of rules 26.02, 30.02, 30.04 and 31.04 of the rules of civil procedure for the district court shall apply to any discovery procedures instituted pursuant to this section. The attorney general or any person to whom discovery is directed may apply to and obtain leave of the district court in order to reduce or extend the time requirements of this subdivision, and upon a showing of good cause the district court shall order a reduction or extension. In order to obtain discovery, the attorney general may:

(a) Serve written interrogatories on any person. Within 20 days after service of interrogatories, separate written answers and objections to each interrogatory shall be mailed to the attorney general.

(b) Upon reasonable written notice of no less than 15 days, require any person to produce for inspection and copying any documents, papers, books, accounts, letters, photographs, objects, or tangible things which are in his possession, custody, or control.

(c) Upon reasonable written notice of no less than 15 days, take the testimony of any person by deposition as to any fact or opinion relevant to the subject matter involved in the pending investigation.

Sec. 20. Minnesota Statutes 1976, Section 501.78, Subdivision 2, is amended to read:

Subd. 2. When the attorney general requires the attendance of any person, as provided in subdivision 1, he shall issue an order setting forth the time when and the place where attendance is required and shall cause the same to be delivered to or sent by registered mail to the person at least 14 days before the date fixed for attendance. The order shall have the same force and effect as a subpoena and, upon application of the attorney general, obedience to the order may be enforced by any court having jurisdiction of charitable trusts in the county where the person receiving it resides or is found, in the same manner as though the notice were a subpoena. The court, after hearing, for cause, and upon application of any person aggrieved by the order, shall have the right to alter, amend, revise, suspend or postpone all or any part of its provisions. If any person fails or refuses to answer interrogatories, to produce materials, or to be examined under oath, as required by the provisions of subdivision 1, the attorney general may give notice that he will apply to the district court in the county where the person receiving it resides or is found, and the court, on a showing by the attorney general of cause therefor, may issue an order as may be required to compel compliance with the discovery procedures authorized by this section.

Sec. 21. Minnesota Statutes 1976, Section 501.78, Subdivision 4, is amended to read:

Subd. 4. Every officer, agency, board or commission of this

state receiving applications for exemption from taxation of any charitable trust subject to sections 501.71 to 501.81 shall annually file with the ~~secretary of state securities division of the department of commerce~~ a list of all applications received during the year and shall notify the ~~secretary of state division of~~ any suspension or revocation of a tax exempt status previously granted.

Sec. 22. Minnesota Statutes 1976, Section 501.79, Subdivision 2, is amended to read:

Subd. 2. ~~Except as provided in subdivision 3,~~ The attorney general shall be notified of and has the right to participate as a party in all court proceedings:

(a) To terminate a charitable trust or to liquidate or distribute its assets, or

(b) To modify or depart from the objects or purposes of a charitable trust as are set forth in the instrument governing the trust, including any proceeding for the application of the doctrine of cy pres, or

(c) To construe the provisions of an instrument with respect to a charitable trust, or

(d) To review an accounting of a charitable trust submitted by a trustee, or

(e) Any other proceeding involving a charitable trust when the interests of the uncertain or indefinite charitable beneficiaries may be affected.

Sec. 23. Minnesota Statutes 1976, Section 501.79, Subdivision 3, is amended to read:

Subd. 3. ~~No~~ The notice required by subdivision 2 need not be provided to the attorney general of a charitable gift, devise under a will for which no charitable trust is created, or bequest (1) for which the donor or testator has named as a charitable beneficiary an organization which is then in existence; or (2) which is not held and continued by a private express trust or corporation, whether or not the gift, devise, or bequest creates a fiduciary relationship.

This subdivision shall not affect any other notice to the attorney general required by this chapter.

Sec. 24. Minnesota Statutes 1976, Section 501.79, Subdivision 5, is amended to read:

Subd. 5. ~~Whenever a will provides for a bequest or devise to a charitable trust,~~ The personal representative shall send to the attorney general a copy of the petition or application for probate together with a copy of the last will and testament, including any codicils which have been admitted to probate. :

(a) *when a will provides for a bequest or devise for a charitable purpose for which there is no named charitable beneficiary, or there is then in existence no named charitable beneficiary; or*

(b) when a will provides for bequests or devises for charitable purposes in excess of \$60,000; or

(c) when a will provides for a bequest or devise to a named charitable beneficiary which is in receivership; or

(d) upon a written request served on the personal representative by any named charitable beneficiary prior to the order allowing the final account or, in unsupervised proceedings, within 30 days after service of the final account on the charitable beneficiary.

The personal representative shall serve the documents on the attorney general and shall file with the appropriate court a copy of the affidavit of service on the attorney general. If the personal representative was requested to notify the attorney general of the probate proceedings pursuant to clause (d), the party so requesting shall file with the court a copy of the request and the affidavit of service on the personal representative.

Whenever objections are filed to any will or codicil containing any bequest or devise to a charitable trust, the person filing such the objections, at least 14 days prior to the hearing thereon, shall send to the attorney general a copy of such the objections, together with a copy of the petition or application for probate and a copy of the will, together with any codicils thereto which have been offered for probate.

Any notice or documents required to be sent to the attorney general pursuant to this section shall be served by certified mail, return receipt requested. Upon receiving any such notice or documents pursuant to this subdivision the attorney general may become a party in the estate proceeding.

Sec. 25. Minnesota Statutes 1976, Section 501.81, Subdivision 3, is amended to read:

Subd. 3. In any proceeding brought by the attorney general, or in which the attorney general intervenes, pursuant to sections 501.71 to 501.81; the judgment or order may provide that the trustee shall pay the reasonable expenses necessarily incurred by the attorney general in the investigation and prosecution of such action, including attorneys' fees, if it shall also be determined in such proceeding that the trustee has been guilty of an intentional or grossly negligent breach of trust as defined in section 501.70, subdivision 5, or as otherwise provided by law.

Sec. 26. Minnesota Statutes 1976, Section 501.81, Subdivision 4, is amended to read:

Subd. 4. All moneys received by the attorney general and the secretary of state pursuant to this section shall be deposited in the state treasury and shall be credited to the general fund.

Sec. 27. Minnesota Statutes 1976, Chapter 524, is amended by adding a section to read:

[524.1-404.] [NOTICE TO CHARITABLE BENEFICIARIES.] *If a will includes a gift, devise or bequest to a named*

charitable beneficiary, the initial written notice of the probate proceedings given to the beneficiary shall state that the beneficiary may request notice of the probate proceedings be given to the attorney general pursuant to section 501.79, subdivision 5.

Sec. 28. Minnesota Statutes 1976, Chapter 525, is amended by adding a section to read:

[525.831] [NOTICE TO ATTORNEY GENERAL OF DEVICES FOR CHARITABLE PURPOSES.] *Whenever a will provides for a devise for a charitable purpose, as defined in section 501.73, subdivision 2, the personal representative shall provide the attorney general with the notices or documents, if any, required by section 501.79, subdivision 5.*

Sec. 29. [REPEALER.] *Minnesota Statutes 1976, Sections 309.52, Subdivisions 5, 6, and 8; 309.53, Subdivision 5; and 501.81, Subdivisions 1 and 2, are repealed.*

Sec. 30. *Sections 1 to 12 and sections 14, 24 and 29 are effective the day after final enactment; section 13 is effective June 30, 1979."*

Amend the title as follows:

Page 1, line 8, after "10" insert ", and by adding subdivisions"

Page 1, line 9, strike the second "Subdivision" and insert "Subdivisions 1a and"

Page 1, line 10, strike "1a" and insert "1"

Page 1, line 10, strike "309.532,"

Page 1, line 11, strike "Subdivisions 1 and 2;"

Page 1, line 11, strike ", Subdivisions 1, 2" and insert "; 309.56, Subdivision 1;"

Page 1, strike line 12

Page 1, line 14, strike "Subdivision" and insert "Subdivisions 2, 3, and"

Page 1, line 15, after "501.81" insert ", Subdivisions 3 and 4"

Page 1, line 15, strike "Chapter" and insert "Chapters 309, by adding sections; 524, by adding a section; and"

Page 1, line 16, strike "Section 501.79." and insert "Sections 309.52, Subdivisions 5, 6, and 8; 309.53, Subdivision 5; and 501.81, Subdivisions 1 and 2."

Page 1, strike line 17

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred the following appointment as reported in the Journal for February 9, 1978:

MINNESOTA ENVIRONMENTAL QUALITY BOARD

Allan E. Mulligan

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred the following appointment as reported in the Journal for March 1, 1978:

STATE SOIL AND WATER CONSERVATION BOARD

Clarence Ettesvoid

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Willet from the Committee on Agriculture and Natural Resources, to which were referred the following appointments as reported in the Journal for March 1, 1978:

MINNESOTA POLLUTION CONTROL AGENCY

Art Engelbrecht

Steve Gadler

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Olson from the Committee on General Legislation and Veterans Affairs, to which was referred the following appointment as reported in the Journal March 9, 1978:

BOARD OF THE ARTS

Stephen F. Keating

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Olson from the Committee on General Legislation and Veterans Affairs, to which was referred the following appointment as reported in the Journal March 8, 1978:

BOARD OF THE ARTS

Mary Leach

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Coleman from the Committee on Rules and Administration, to which were referred H. F. Nos. 1977, 1865, 499, and 1898 for comparison with companion Senate Files, reports the following House Files were found not identical with their companion Senate Files 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.
1977	1946				
1898	1764				
499	2044				
1865	1726				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1977 be amended as follows:

Page 1, line 15, delete "*present*"

Page 1, line 16, after "(5)" insert "*in effect on the effective date of this act*"

Page 1, line 19, delete "*such person*" and insert "*he*"

Page 1, line 22, after "*to*" insert "*his*"

Page 2, line 1, delete "*; and upon*" and insert a new period

Page 2, line 2, delete "*petition*"

Page 2, delete line 3

Page 2, line 4, delete "*such*" and insert "*the*"

Page 2, line 6, after "*entered*" insert "*pursuant to this subdivision*"

Page 2, line 9, before the period insert "*, unless possession of marijuana is material to a proceeding*"

Page 2, after line 9 add a section to read

"Sec. 2. *This act is effective April 11, 1978.*"

And when so amended H. F. No. 1977 will be identical to S. F. No. 1946, and further recommends that H. F. No. 1977 be given its second reading and substituted for S. F. No. 1946, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1898 be amended as follows:

Page 1, line 12, delete "*a procedure*" and insert "*test procedures*"

Page 1, delete lines 16 and 17

Page 1, line 18, delete "*employee's option,*" and insert

"The procedures need not be adopted as rules but they must be consistent with other applicable laws, rules and duly adopted plans of the state relating to affirmative action. The test procedures shall consist of a 700 hour on-the-job trial work experience which will be in lieu of a competitive examination and for which the employee would be paid or unpaid at the employee's option. This work experience shall be"

Page 1, line 20, delete "*multiple*" and insert "*other*"

Page 2, line 4, delete "*such a*" and insert "*the*"

Further, amend the title as follows

Line 2, delete "public employment;"

And when so amended H. F. No. 1898 will be identical to S. F. No. 1764, and further recommends that H. F. No. 1898 be given its second reading and substituted for S. F. No. 1764, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1865 be amended as follows:

Page 1, line 12, restore "any fraction thereof," and after "~~not~~" insert "*or*"

Page 1, delete lines 15 to 22

Page 3, line 1, delete "*judges'*" and insert "*judges*"

Page 3, line 5, delete "*this act*" and insert "*sections 1 and 2*"

Renumber the sections in sequence

Further, amend the title

Line 3, after the semicolon insert "refunds to surviving spouses of judges;"

Lines 4 and 5, delete " , and by adding a subdivision"

And when so amended H. F. No. 1865 will be identical to S. F. No. 1726, and further recommends that H. F. No. 1865 be given its second reading and substituted for S. F. No. 1726, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 499 be amended as follows:

Page 2, line 21, after the period insert "(c)"

And when so amended H. F. No. 499 will be identical to S. F. No. 2044, and further recommends that H. F. No. 499 be given its second reading and substituted for S. F. No. 2044, 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. Coleman from the Committee on Rules and Administration, to which was referred

H. F. No. 1914 for comparison with companion Senate File, reports the following House File was found not identical with 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.
1914	1884				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1914 be amended as follows:

Page 1, line 16, delete "this act" and insert "sections 1 to 7"

Page 3, line 15, delete "\$5" and insert "\$3"

Page 3, line 18, delete "\$5" and insert "\$3"

Page 4, line 8, delete "\$5" and insert "\$3"

Page 4, line 21, delete "\$5" and insert "\$3"

Page 4, line 31, after the first "assessed" insert "against any person convicted of a petty misdemeanor nor" and delete "where" and insert "in which"

Page 5, after line 17 insert:

"Sec. 8. [PENNINGTON COUNTY LAW LIBRARY; ESTABLISHMENT.] The board of county commissioners of the county of Pennington may by resolution establish a fee system for the county law library, for the use of the judges of the district and county courts, all county and municipal officials, the members of the bar and the inhabitants of the county.

Sec. 9. [MANAGEMENT.] The management of any library so established shall be under a board of three law library trustees, the members of which board shall serve without compensation and shall be appointed by the judges of the district and county courts in the county. The board shall first meet immediately after its appointment and shall hold its annual meeting thereafter on the first day of the first regular term of the district court in the county in each year, at which first meeting and at each annual meeting thereafter it shall select

from its members a president and a secretary, who shall each hold his office until the following annual meeting. When the board is first appointed there shall be appointed one trustee whose term shall extend until the first annual meeting, one trustee whose term shall extend until the second annual meeting, and one trustee whose term shall extend until the third annual meeting of the board after such appointment. Immediately prior to each annual meeting there shall be appointed a trustee whose term shall commence at the annual meeting and extend until the third annual meeting after the annual meeting he takes his office. Vacancies in office shall be filled for the unexpired term.

Sec. 10. [BOARD OF TRUSTEES TO MAKE BYLAWS.] The board of trustees shall adopt and may from time to time thereafter amend and alter such bylaws, rules and regulations for the conduct of its business, the government of the library and the use thereof as shall be expedient and conformable to law. It may accept on behalf of the county a gift, grant, devise or bequest, or the loan of books or other property for the use of purposes of the library, and carry out the conditions of the donation or loan. It may purchase books or other library facilities upon conditional sales contract, or otherwise, the purchase price therefor to be paid out of the county law library fund. The title to the library and the property thereof, except the books and property as shall be leased or loaned to it, shall vest and be in the county establishing the library. The board of trustees may sell or exchange items of the property of the library which it deems no longer suitable or advantageous for the purposes of the library, upon terms as it may deem best. It shall, before the second Monday of January of each year, file with the county auditor a report containing a detailed statement of the receipts and disbursements for the preceding year and a detailed inventory of the property belonging to the library and the property loaned or leased to it. The county board shall provide suitable rooms in the court house for the use of the library.

Sec. 11. [FEES FOR EXPENSES.] It shall be the duty of the clerk of the ninth judicial district and the duty of the clerk of court of the county court district of Marshall, Red Lake and Pennington to collect in each civil suit, action or proceeding filed in his court relating to Pennington county, in the manner in which other fees are collected therein, and in addition thereto, as a county law library fee:

(a) The sum of \$3 from the plaintiff or person instituting the suit, action or proceedings at the time of the filing of the first paper therein, and

(b) The sum of \$3 from the defendant or other adverse or intervening party, or any one or more of several defendants or other adverse or intervening parties appearing separately from the others, to be collected when his or their appearance is entered in the action or proceeding or when the first paper on his or their part is filed therein.

The county law library fees shall be costs in the case and

taxable as such. The provisions of this section shall not apply to actions or proceedings commenced by the state, the county or any municipality, to garnishment proceedings, to the filing of transcripts, to compensation awards or to complaints in intervention in receivership proceedings.

Sec. 12. [PROBATE FEES.] It shall be the duty of the clerk of court of the county court district of Marshall, Red Lake and Pennington in each proceeding in the county court relating to Pennington county in the matter of the estate of a deceased person looking to the entry of a decree determining the descent of real estate or of a decree or order for distribution of the estate, except in summary administrative procedures for small estates pursuant to Minnesota Statutes, Sections 524.3-1203 or 524.3-1204 or in summary proceedings instituted pursuant to Minnesota Statutes, Section 525.51, to collect, as a county law library fee, the sum of \$3 from the petitioner instituting the proceeding at the time of the filing of the first petition therein. The disbursement shall be an item of expense of administration of the estate, entitling the petitioner to reimbursement therefor out of the estate.

Sec. 13. [COSTS AND DISBURSEMENTS TO INCLUDE LIBRARY FEE.] In Pennington county there shall be included in the costs or disbursements assessed against the defendant convicted in the district court or county court of the violation of any statute or municipal ordinance, in all criminal prosecutions in which, upon conviction, the defendant may now or hereafter be subject to the payment of the costs or disbursements of the prosecution in addition to a fine or other penalty, the sum of \$3, as a county law library fee. Upon payment of the costs or disbursements it shall be the duty of the clerk of the district court and the clerk of the county court, in whose court the costs or disbursements are collected or paid, to report and remit the library fee at the time and in the manner specified in section 15. Provided, the item of costs or disbursements may not be assessed for any offense committed prior to the establishment of the county law library, and, provided further, that the item of costs or disbursements may not be assessed against any person convicted of a petty misdemeanor nor in any criminal case in which the fine assessed is \$10 or less.

Sec. 14. [FEES TO BE ALLOTTED TO LAW LIBRARY.] All county law library fees shall be allotted for the acquisition and maintenance of the law library. The clerk of the district court and the clerk of the county court making collection of the fees shall, prior to the fifth day of each month, make and file a report with the county auditor of all actions, proceedings and prosecutions in which the fees have been collected in his court during the preceding month, and the amount of the fees so collected, and pay the fees to the county treasurer, taking his receipt therefor. The county treasurer shall place all moneys so paid to him and all other moneys paid to him for the uses, benefit or purposes of the library in the county law library fund, and shall be authorized to disburse the moneys upon the order of the

board of trustees, to pay the necessary expenses of acquiring, equipping and maintaining the library."

Page 5, line 18, delete "This act is" and insert "Sections 1 to 7 are"

Page 5, line 20, after "645.021" insert "; and expire on July 1, 1980"

Page 5, after line 20 insert

"Sec. 16. Sections 8 to 14 are effective upon approval by the county board of Pennington county, and upon compliance with Minnesota Statutes, Section 645.021; and expire on July 1, 1980."

Renumber the sections in order

Further amend the title as follows:

Page 1, line 2, delete "county" and insert "and Pennington counties"

Page 1, line 3, after "library" insert "in those counties"

Page 1, line 4, before the period insert "on civil and certain criminal cases"

And when so amended H. F. No. 1914 will be identical to S. F. No. 1884, and further recommends that H. F. No. 1914 be given its second reading and substituted for S. F. No. 1884, 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.

APPOINTMENTS

Mr. Coleman from the Subcommittee on Committees recommends that the following Senators be and they hereby are appointed as a Conference Committee on:

S. F. No. 1643: Messrs. Sikorski, Nelson, and Renneke.

H. F. No. 1323: Messrs. Hughes, Anderson, and Ueland, A.

H. F. No. 2493: Messrs. Moe, Lewis, Humphrey, Kleinbaum, and Kirchner.

H. F. No. 2494: Messrs. Moe, Lewis, Humphrey, Kleinbaum, and Kirchner.

Mr. Coleman moved that the foregoing appointments be approved. The motion prevailed.

SECOND READING OF SENATE BILLS

S. F. Nos. 1849, 2188, 1577, 1095, 2184, 2148, 1706, 1642, 437, 1864, 2000, 1013 and 1464 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. Nos. 1977, 1898, 499, 1865 and 1914 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Coleman, for the Committee on Rules and Administration, offered the following resolution:

BE IT RESOLVED, by the Senate, that the following named persons be and are hereby appointed to the positions hereinafter stated and at the salaries heretofore fixed.

Dr. Joseph Simonson, Chaplain, effective March 6, 1978

Monsignor Ambrose V. Hayden, Chaplain, effective March 8, 1978

Rev. Richard Nelson, Chaplain, effective March 13, 1978

Monsignor Terrance J. Murphy, Chaplain, effective March 14, 1978

Rabbi Harold Schechter, Chaplain, effective March 15, 1978

Rev. Richard Bolling, Chaplain, effective March 16, 1978

Mr. Coleman moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

Mr. McCutcheon moved that H. F. No. 2250 be taken from the table. The motion prevailed.

CALL OF THE SENATE

Mr. McCutcheon imposed a call of the Senate for the balance of the proceedings on H. F. No. 2250. The following Senators answered to their names:

Anderson	Dunn	Knutson	Penny	Staples
Ashbach	Engler	Laufenburger	Peterson	Stokowski
Bang	Gearty	Lessard	Pillsbury	Strand
Benedict	Gunderson	Luther	Purfeerst	Stumpf
Bernhagen	Hanson	McCutcheon	Renneke	Tennessee
Brataas	Hughes	Moe	Schmitz	Ueland, A.
Chmielewski	Johnson	Nelson	Schrom	Ulland, J.
Coleman	Keefe, S.	Ogdahl	Setzepfandt	Vega
Davies	Kirchner	Olhoff	Sieloff	Willet
Dieterich	Knaak	Olson	Spear	

The Sergeant at Arms was instructed to bring in the absent members.

SUSPENSION OF RULES

Mr. McCutcheon 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. 2250 and that the rules of the Senate be so far suspended as to give H. F. No. 2250 its second

and third reading and place it on its final passage. The motion prevailed.

H. F. No. 2250 was read the second time.

H. F. No. 2250: A bill for an act relating to taxation; increasing credits available to certain taxpayers; removing sales taxes on residential heating fuels; providing additional refunds for residential heating costs for certain taxpayers; reducing the income tax rate on corporations; eliminating the arithmetic average from the formula used for the apportionment of trade or business income among states; amending Minnesota Statutes 1976, Sections 290.06, Subdivisions 1 and 3d; 290.19, Subdivision 1; 290.361, Subdivision 2; 290A.07, Subdivision 1; 297A.25, Subdivision 1; Chapter 290, by adding a section; and Chapter 290A, by adding a section; and Minnesota Statutes, 1977 Supplement, Sections 290.06, Subdivision 3c; and 290A.06.

Mr. McCutcheon moved to amend H. F. No. 2250, as follows:

Strike everything after the enacting clause and insert:

“ARTICLE I

Section 1. Minnesota Statutes 1976, Section 290.06, Subdivision 3d, is amended to read:

Subd. 3d. [CREDITS AGAINST TAX.] The taxes due as computed in accordance with section 290.06, subdivisions 2c and 3c shall be credited with the following amounts:

(1) A credit equal to his tax liability in the case of:

(a) An unmarried claimant with an income of ~~\$4,400~~ \$4,800 or less;

(b) A claimant with one dependent, with an income of ~~\$5,200~~ \$5,800 or less;

(c) A claimant with two dependents, with an income of ~~\$6,000~~ \$6,900 or less;

(d) A claimant with three dependents, with an income of ~~\$6,700~~ \$7,800 or less;

(e) A claimant with four dependents, with an income of ~~\$7,300~~ \$8,400 or less; and

(f) A claimant with five or more dependents, with an income of ~~\$7,800~~ \$8,900 or less.

(2) In the case of a claimant with an income in excess of that set forth in the appropriate category of clause (1), he may pay a tax equal to 15 percent of that portion of his income that is in excess of the amount set forth in the appropriate category of clause (1), or his tax obligation as it would have been in the absence of section 290.012 and this subdivision, whichever is less.

(3) The total income of the claimant and his spouse, if any, shall be the figure employed for the purposes of this subdivision. No individual dependent upon and receiving his chief support from any other individual may be a claimant under section 290.012 and this subdivision. The commissioner of revenue shall prescribe the additional forms or alterations in existing forms as necessary to comply with the provisions of section 290.012 and this subdivision. All claimants shall submit their returns on these forms.

Sec. 2. [EFFECTIVE DATE.] *This article is effective for taxable years beginning after December 31, 1977.*

ARTICLE II

Section 1. Minnesota Statutes 1976, Section 297A.14, is amended to read:

297A.14 [USING, STORING OR CONSUMING TANGIBLE PERSONAL PROPERTY; ADMISSIONS; UTILITIES.] For the privilege of using, storing or consuming in Minnesota tangible personal property, tickets or admissions to places of amusement and athletic events, electricity, gas, and local exchange telephone service purchased for use, storage or consumption in this state, there is hereby imposed on every person in this state a use tax at the rate of four percent of the sales price of sales at retail of any of the aforementioned items made to such person after October 31, 1971, unless the tax imposed by section 297A.02 was paid on said sales price.

Motor vehicles subject to tax under this section shall be taxed at the fair market value at the time of transport into Minnesota if such motor vehicles were acquired more than three months prior to its transport into this state.

Notwithstanding any other provisions of sections 297A.01 to 297A.44 to the contrary, the cost of paper and ink products exceeding \$100,000 in any calendar year, used or consumed in producing a publication as defined in section 297A.25, subdivision 1, clause (i) is subject to the tax imposed by this section.

Sec. 2. Minnesota Statutes 1976, Section 297A.25, Subdivision 1, is amended to read:

297A.25 [EXEMPTIONS.] Subdivision 1. The following are specifically exempted from the taxes imposed by sections 297A.01 to 297A.44:

(a) The gross receipts from the sale of food products including but not limited to cereal and cereal products, butter, cheese, milk and milk products, oleomargarine, meat and meat products, fish and fish products, eggs and egg products, vegetables and vegetable products, fruit and fruit products, spices and salt, sugar and sugar products, coffee and coffee substitutes, tea, cocoa and cocoa products;

(b) The gross receipts from the sale of prescribed drugs and

medicine intended for use, internal or external, in the cure, mitigation, treatment or prevention of illness or disease in human beings and products consumed by humans for the preservation of health, including prescription glasses, therapeutic and prosthetic devices, but not including cosmetics or toilet articles notwithstanding the presence of medicinal ingredients therein;

(c) The gross receipts from the sale of and the storage, use or other consumption in Minnesota of tangible personal property, tickets, or admissions, electricity, gas, or local exchange telephone service, which under the Constitution or laws of the United States or under the Constitution of Minnesota, the state of Minnesota is prohibited from taxing;

(d) The gross receipts from the sale of tangible personal property (i) which, without intermediate use, is shipped or transported outside Minnesota and thereafter used in a trade or business or is stored, processed, fabricated or manufactured into, attached to or incorporated into other tangible personal property transported or shipped outside Minnesota and thereafter used in a trade or business outside Minnesota, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce (storage shall not constitute intermediate use); or (ii) which the seller delivers to a common carrier for delivery outside Minnesota, places in the United States mail or parcel post directed to the purchaser outside Minnesota, or delivers to the purchaser outside Minnesota by means of the seller's own delivery vehicles, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce;

(e) The gross receipts from the sale of packing materials used to pack and ship household goods, the ultimate destination of which is outside the state of Minnesota and which are not thereafter returned to a point within Minnesota, except in the course of interstate commerce;

(f) The gross receipts from the sale of and storage, use or consumption of petroleum products upon which a tax has been imposed under the provisions of chapter 296, whether or not any part of said tax may be subsequently refunded;

(g) The gross receipts from the sale of clothing and wearing apparel except the following:

(i) all articles commonly or commercially known as jewelry, whether real or imitation; pearls, precious and semi-precious stones, and imitations thereof; articles made of, or ornamented, mounted or fitted with precious metals or imitations thereof; watches; clocks; cases and movements for watches and clocks; gold, gold-plated, silver, or sterling flatware or hollow ware and silver-plated hollow ware; opera glasses; lorgnettes; marine glasses; field glasses and binoculars.

(ii) articles made of fur on the hide or pelt, and articles of which such fur is the component material or chief value, but only if such value is more than three times the value of the next most valuable component material.

(iii) perfume, essences, extracts, toilet waters, cosmetics, petroleum jellies, hair oils, pomades, hair dressings, hair restoratives, hair dyes, aromatic cachous and toilet powders. The tax imposed by this act shall not apply to lotion, oil, powder, or other article intended to be used or applied only in the case of babies.

(iv) trunks, valises, traveling bags, suitcases, satchels, overnight bags, hat boxes for use by travelers, beach bags, bathing suit bags, brief cases made of leather or imitation leather, salesmen's sample and display cases, purses, handbags, pocketbooks, wallets, billfolds, card, pass, and key cases and toilet cases.

(h) The gross receipts from the sale of and the storage, use, or consumption of all materials, including chemicals, fuels, petroleum products, lubricants, packaging materials, including returnable containers used in packaging food and beverage products, feeds, seeds, fertilizers, electricity, gas and steam, used or consumed in agricultural or industrial production of personal property intended to be sold ultimately at retail, whether or not the item so used becomes an ingredient or constituent part of the property produced. Such production shall include, but is not limited to, research, development, design or production of any tangible personal property, manufacturing, processing (other than by restaurants and consumers) of agricultural products whether vegetable or animal, commercial fishing, refining, smelting, reducing, brewing, distilling, printing, mining, quarrying, lumbering, generating electricity and the production of road building materials. Such production shall not include painting, cleaning, repairing or similar processing of property except as part of the original manufacturing process. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures, used in such production and fuel, electricity, gas or steam used for space heating or lighting, are not included within this exemption; however, accessory tools, equipment and other short lived items, which are separate detachable units used in producing a direct effect upon the product, where such items have an ordinary useful life of less than 12 months, are included within the exemption provided herein;

(i) The gross receipts from the sale of and storage, use or other consumption in Minnesota of tangible personal property (except as provided in section 207A.41) which is used or consumed in producing any publication regularly issued at average intervals not exceeding three months, and any such publication. For purposes of this subsection, "publication" as used herein shall include, without limiting the foregoing, a legal newspaper as defined by Minnesota Statutes 1965, Section 331.02, and any supplements or enclosures with or part of said newspaper; and the gross receipts of any advertising contained therein or therewith shall be exempt. For this purpose, advertising in any such publication shall be deemed to be a service and not tangible personal property, and persons or their agents who publish or sell such newspapers shall be deemed to be engaging in a service with respect to gross receipts realized from such newsgathering or

publishing activities by them, including the sale of advertising. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures used in such publication and fuel, electricity, gas or steam used for space heating or lighting, are not exempt;

(j) The gross receipts from all sales of tangible personal property to, and all storage, use or consumption of such property by, the United States and its agencies and instrumentalities or a state and its agencies, instrumentalities and political subdivisions;

(k) The gross receipts from the isolated or occasional sale of tangible personal property in Minnesota not made in the normal course of business of selling that kind of property, and the storage, use, or consumption of property acquired as a result of such a sale;

(l) The gross receipts from sales of rolling stock and the storage, use or other consumption of such property by railroads, freight line companies, sleeping car companies and express companies taxed on the gross earnings basis in lieu of ad valorem taxes. For purposes of this clause "rolling stock" is defined as the portable or moving apparatus and machinery of any such company which moves on the road, and includes, but is not limited to, engines, cars, tenders, coaches, sleeping cars and parts necessary for the repair and maintenance of such rolling stock.

(m) The gross receipts from sales of airflight equipment and the storage, use or other consumption of such property by airline companies taxed under the provisions of sections 270.071 to 270.079. For purposes of this clause, "airflight equipment" includes airplanes and parts necessary for the repair and maintenance of such airflight equipment, and flight simulators.

(n) The gross receipts from the sale of telephone central office telephone equipment used in furnishing intrastate and interstate telephone service to the public.

(o) The gross receipts from the sale of and the storage, use or other consumption by persons taxed under the in lieu provisions of chapter 298, of mill liners, grinding rods and grinding balls which are substantially consumed in the production of taconite, the material of which primarily is added to and becomes a part of the material being processed.

(p) The gross receipts from the sale of tangible personal property to, and the storage, use or other consumption of such property by, any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious or educational purposes if the property purchased is to be used in the performance of charitable, religious or educational functions, or any senior citizen group organized and operated exclusively for pleasure, recreation and other nonprofit purposes, no part of the net earnings of which inures to the benefit of any private shareholders;

(q) The gross receipts from the sale of caskets and burial vaults;

(r) The gross receipts from the sale of cigarettes.

(s) The gross receipts from the sale of an automobile or other conveyance if the purchaser is assisted by a grant from the United States in accordance with 38 United States Code, Section 1901, as amended.

(t) The gross receipts from the sale to the licensed aircraft dealer of an aircraft for which a commercial use permit has been issued pursuant to section 360.654, if the aircraft is resold while the permit is in effect.

(u) The gross receipts from the sale of building materials to be used in the construction or remodeling of a residence when the construction or remodeling is financed in whole or in part by the United States in accordance with 38 United States Code, Sections 801 to 805, as amended. This exemption shall not be effective at time of sale of the materials to contractors, sub-contractors, builders or owners, but shall be applicable only upon a claim for refund to the commissioner of revenue filed by recipients of the benefits provided in Title 38 United States Code, Chapter 21, as amended. The commissioner shall provide by regulation for the refund of taxes paid on sales exempt in accordance with this paragraph.

(v) The gross receipts from the sale of textbooks which are prescribed for use in conjunction with a course of study in a public or private school, college, university and business or trade school to students who are regularly enrolled at such institutions. For purposes of this clause a "public school" is defined as one that furnishes course of study, enrollment and staff that meets standards of the state board of education and a private school is one which under the standards of the state board of education, provides an education substantially equivalent to that furnished at a public school. Business and trade schools shall mean such schools licensed pursuant to section 141.25.

(w) The gross receipts from the sale of and the storage of material designed to advertise and promote the sale of merchandise or services, which material is purchased and stored for the purpose of subsequently shipping or otherwise transferring outside the state by the purchaser for use thereafter solely outside the state of Minnesota.

Sec. 3. [EFFECTIVE DATE.] *This article is effective July 1, 1978.*

ARTICLE III

Section 1. [REPEALER.] *Minnesota Statutes 1976, Sections 290.031, Subdivisions 1, 2, 3, 5 and 6; 290.921; and 290.922; and Minnesota Statutes, 1977 Supplement, Section 290.031, Subdivision 4, are repealed.*

Sec. 2. [EFFECTIVE DATE.] *This article is effective for compensation paid after June 30, 1978.*

ARTICLE IV

Section 1. Minnesota Statutes, 1977 Supplement, Section 290.06, Subdivision 3c, is amended to read:

Subd. 3c. [CREDITS AGAINST TAX.] ~~Notwithstanding the provisions of subdivision 3a~~ *Except as provided in subdivision 3e*, for taxable years which begin after December 31, 1977, the taxes due under the computation in accordance with section 290.06 shall be credited with the following amounts:

(1) In the case of an unmarried individual, and, except as provided in paragraph 6, in the case of the estate of a decedent, \$30 \$45 , and in the case of a trust, \$5;

(2) In the case of a married individual, living with husband or wife, and in the case of a head of a household, \$60 \$90 . If such husband and wife make separate returns the personal exemption may be taken by either or divided between them;

(3) In the case of an individual, \$30 \$45 for each person (other than husband or wife) dependent upon and receiving his chief support from the taxpayer. One taxpayer only shall be allowed this credit with respect to any given dependent. In the case of the head of a household, a credit for one dependent shall be disallowed. A payment to a divorced or separated wife, other than a payment of the kind referred to in section 290.072, subdivision 3, shall not be considered a payment by the husband for the support of any dependent.

(4) (a) In the case of an unmarried individual who has attained the age of 65 before the close of his taxable year, an additional \$30 \$45 ;

(b) In the case of an unmarried individual who is blind at the close of the taxable year, an additional \$30 \$45 ;

(c) In the case of a married individual, living with husband or wife, an additional \$30 \$45 for each spouse who has attained the age of 65 before the close of the individual's taxable year, and an additional \$30 \$45 for each spouse who is blind at the close of the individual's taxable year. If such husband and wife make separate returns, these credits may be taken by either or divided between them;

(d) *In the case of an individual, an additional \$45 for each person, other than a spouse, who is blind and dependent upon and receiving his chief support from the taxpayer;*

~~(d)~~ (e) For the purposes of sub-paragraphs (b) and , (c) and (d) of paragraph (4), an individual is blind if his central visual acuity does not exceed 20/200 in the better eye with correcting lenses, or if his visual acuity is greater than 20/200 but is accompanied by a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees.

~~(e)~~ (f) In the case of an unmarried individual who is deaf at the close of the taxable year, an additional \$30 \$45 .

(f) (g) In the case of a married individual, an additional \$30 \$45 for each spouse who is deaf at the close of the taxable year. If the husband and wife make separate returns, these credits may be taken by either or divided between them.

(g) (h) In the case of an individual, an additional \$30 \$45 for each person (other than a spouse) who is deaf and dependent upon and receiving his chief support from the taxpayer.

(h) (i) For the purposes of subparagraphs (e), (f), and (g) and (h) of paragraph (4), an individual is deaf if the average loss in the speech frequencies (500-2000 Hertz) in the better ear, unaided, is 92 decibels, American National Standards Institute, or worse.

(5) In the case of an insurance company, it shall receive a credit on the tax computed as above equal in amount to any taxes based on premiums paid by it during the period for which the tax under Extra Session Laws 1967, Chapter 32, is imposed by virtue of any law of this state, other than the surcharge on premiums imposed by Extra Session Laws 1933, Chapter 53, as amended;

(6) In the case of a non-resident individual, credits under paragraphs 1, 2, 3 and 4 shall be apportioned in the proportion of the gross income from sources in Minnesota to the gross income from all sources, and in any event a minimum credit of \$5 shall be allowed.

Sec. 2. Minnesota Statutes 1976, Section 290.06, is amended by adding a subdivision to read:

Subd. 3e. [CREDITS AGAINST TAX.] Notwithstanding the provisions of subdivision 3c for taxable years which begin after December 31, 1978, the taxes due under the computation in accordance with section 290.06 shall be credited with the following amounts:

(1) *In the case of an unmarried individual, and, except as provided in paragraph 6, in the case of the estate of a decedent, \$50, and in the case of a trust, \$5;*

(2) *In the case of a married individual, living with husband or wife, and in the case of a head of a household, \$100. If such husband and wife make separate returns the personal exemption may be taken by either or divided between them;*

(3) *In the case of an individual, \$50 for each person (other than husband or wife) dependent upon and receiving his chief support from the taxpayer. One taxpayer only shall be allowed this credit with respect to any given dependent. In the case of the head of a household, a credit for one dependent shall be disallowed. A payment to a divorced or separated wife, other than a payment of the kind referred to in section 290.072, subdivision 3, shall not be considered a payment by the husband for the support of any dependent.*

(4) (a) *In the case of an unmarried individual who has at-*

tained the age of 65 before the close of his taxable year, an additional \$50;

(b) In the case of an unmarried individual who is blind at the close of the taxable year, an additional \$50;

(c) In the case of a married individual, living with husband or wife, an additional \$50 for each spouse who has attained the age of 65 before the close of the individual's taxable year, and an additional \$50 for each spouse who is blind at the close of the individual's taxable year. If such husband and wife make separate returns, these credits may be taken by either or divided between them;

(d) In the case of an individual, an additional \$50 for each person other than a spouse, who is blind and dependent upon and receiving his chief support from the taxpayer;

(e) For the purposes of sub-paragraphs (b), (c) and (d) of paragraph (4), an individual is blind if his central visual acuity does not exceed 20/200 in the better eye with correcting lenses, or if his visual acuity is greater than 20/200 but is accompanied by a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees.

(f) In the case of an unmarried individual who is deaf at the close of the taxable year, an additional \$50.

(g) In the case of a married individual, an additional \$50 for each spouse who is deaf at the close of the taxable year. If the husband and wife make separate returns, these credits may be taken by either or divided between them.

(h) In the case of an individual, an additional \$50 for each person (other than a spouse) who is deaf and dependent upon and receiving his chief support from the taxpayer.

(i) For the purposes of subparagraphs (f), (g), and (h) of paragraph (4), an individual is deaf if the average loss in the speech frequencies (500-2000 Hertz) in the better ear, unaided, is 92 decibels, American National Standards Institute, or worse.

(5) In the case of an insurance company, it shall receive a credit on the tax computed as above equal in amount to any taxes based on premiums paid by it during the period for which the tax under Extra Session Laws 1967, Chapter 32, is imposed by virtue of any law of this state, other than the surcharge on premiums imposed by Extra Session Laws 1933, Chapter 53, as amended;

(6) In the case of a non-resident individual, credits under paragraphs 1, 2, 3 and 4 shall be apportioned in the proportion of the gross income from sources in Minnesota to the gross income from all sources, and in any event a minimum credit of \$5 shall be allowed.

Sec. 3. [REPEALER.] Minnesota Statutes 1976, Section 290.06, Subdivisions 3a and 3b are repealed.

ARTICLE V

Section 1. Minnesota Statutes 1976, Section 290.06, is amended by adding a subdivision to read:

Subd. 3e. [HOMEMAKER CREDIT.] A credit of \$50 may be deducted from the tax due from the taxpayer and his spouse, if any, under Chapter 290 if either the taxpayer or his spouse devotes his time to caring for his children and their home and is not employed outside of the home. A taxpayer would qualify for the credit if he has a child who is twelve years of age or younger residing in his home at any time during the taxable year and if either the taxpayer or his spouse remains unemployed throughout the taxable year for the purpose of caring for the child in the home. A married claimant shall file his income tax return for the year for which he claims the credit either jointly or separately on one form with his spouse. In the case of the married claimant, only one spouse may claim the credit.

Sec. 2. [EFFECTIVE DATE.] *This article is effective for taxable years beginning after December 31, 1977.*

ARTICLE VI

Section 1. Minnesota Statutes, 1977 Supplement, Section 290.06, Subdivision 2c, is amended to read:

Subd. 2c. [SCHEDULE OF RATES FOR INDIVIDUALS, ESTATES AND TRUSTS.] (a) For taxable years beginning after December 31, 1977, the income taxes imposed by this chapter upon individuals, estates and trusts, other than those taxable as corporations, shall be computed by applying to their taxable net income in excess of the applicable credits allowed by section 290.21, the following schedule of rates:

- (1) On the first \$500, one and six-tenths percent;
- (2) On the second \$500, two and two-tenths percent;
- (3) On the next \$1,000, three and five-tenths percent;
- (4) On the next \$1,000, five and eight-tenths percent;
- (5) On the next \$1,000, seven and three-tenths percent;
- (6) On the next \$1,000, eight and eight-tenths percent;
- (7) On the next \$2,000, ten and two-tenths percent;
- (8) On the next \$2,000, eleven and five-tenths percent;
- (9) On the next \$3,500, twelve and eight-tenths percent;
- (10) On all over \$12,500, and not over \$20,000, fourteen percent;
- (11) On all over \$20,000 and not over ~~\$25,000~~ \$35,000, fifteen percent;
- (12) On all over ~~\$25,000~~ and not over ~~\$35,000~~, sixteen percent;

~~(13)~~ On all over \$35,000 and not over \$50,000, ~~seventeen sixteen~~ percent;

~~(14)~~ (13) On the remainder, ~~eighteen seventeen~~ percent.

(b) In lieu of a tax computed according to the rates set forth in clause (a) of this subdivision, the tax of any individual taxpayer whose taxable net income for the taxable year, reduced by the applicable credits allowed by section 290.21, is less than \$20,000 shall be computed in accordance with tables prepared and issued by the commissioner of revenue based on income brackets of not more than \$100. The amount of tax for each bracket shall be computed at the rates set forth in this subdivision, provided that the commissioner may disregard a fractional part of a dollar unless it amounts to 50 cents or more, in which case it may be increased to \$1.

ARTICLE VII

Section 1. Minnesota Statutes, 1977 Supplement, Section 290.01, Subdivision 20, is amended to read:

Subd. 20. [GROSS INCOME.] Except as otherwise provided in this chapter, the term "gross income," as applied to corporations includes every kind of compensation for labor or personal services of every kind from any private or public employment, office, position or services; income derived from the ownership or use of property; gains or profits derived from every kind of disposition of, or every kind of dealing in, property; income derived from the transaction of any trade or business; and income derived from any source; except that gross income shall not include "exempt function income" of a "homeowners association" as those terms are defined in Section 528 of the Internal Revenue Code of 1954, as amended.

For each of the taxable years beginning after December 31, 1960 and prior to January 1, 1971, the term "gross income" in its application to individuals, estates, and trusts, shall mean the adjusted gross income as computed for federal income tax purposes as defined in the Internal Revenue Code of 1954, as amended through December 31, 1970 for the applicable taxable year, with the modifications specified in this section.

For each of the taxable years beginning after December 31, 1970, the term "gross income" in its application to individuals, estates, and trusts shall mean the adjusted gross income as computed for federal income tax purposes as defined in the Internal Revenue Code of 1954, as amended through the date specified herein for the applicable taxable year, with the modifications specified in this section.

(i) The Internal Revenue Code of 1954, as amended through December 31, 1970, shall be in effect for taxable years beginning after December 31, 1970 and prior to January 1, 1973.

(ii) The Internal Revenue Code of 1954, as amended through December 31, 1972, shall be in effect for taxable years beginning after December 31, 1972.

(iii) The Internal Revenue Code of 1954, as amended through December 31, 1973, shall be in effect for taxable years beginning after December 31, 1973.

(iv) The Internal Revenue Code of 1954, as amended through December 31, 1974, shall be in effect for the taxable years beginning after December 31, 1974.

(v) The Internal Revenue Code of 1954, as amended through December 31, 1976, including the amendments made to section 280A (relating to licensed day care centers) in H.R. 3477 as it passed the Congress on May 16, 1977, shall be in effect for the taxable years beginning after December 31, 1976. The provisions of the Tax Reform Act of 1976, P.L. 94-455, which affect adjusted gross income shall become effective for purposes of chapter 290 at the same time they become effective for federal income tax purposes. Section 207 (relating to extension of period for nonrecognition of gain on sale or exchange of residence) and section 402 (relating to time for making contributions to pension plans of self employed people) of P.L. 94-12 shall be effective for taxable years beginning after December 31, 1974.

References to the Internal Revenue Code of 1954 in clauses (a), (b) and (c) following shall mean the code in effect for the purpose of defining gross income for the applicable taxable year.

(a) Modifications increasing federal adjusted gross income. There shall be added to federal adjusted gross income:

(1) Interest income on obligations of any state other than Minnesota or a political subdivision of any such other state exempt from federal income taxes under the Internal Revenue Code of 1954;

(2) Interest income on obligations of any authority, commission, or instrumentality of the United States, which the laws of the United States exempt from federal income tax, but not from state income taxes;

(3) Income taxes imposed by this state or any other taxing jurisdiction, to the extent deductible in determining federal adjusted gross income and not credited against federal income tax;

(4) Interest on indebtedness incurred or continued to purchase or carry securities the income from which is exempt from tax under this chapter, to the extent deductible in determining federal adjusted gross income;

(5) Amounts received as reimbursement for an expense of sickness or injury which was deducted in a prior taxable year to the extent that the deduction for such reimbursed expenditures resulted in a tax benefit;

(6) The amount of any federal income tax overpayment for any previous taxable year, received as refund or credited to another taxable year's income tax liability, proportionate to the percentage of federal income tax that was claimed as a deduction in determining Minnesota income tax for such previous taxable year.

The overpayment refund or credit, determined with respect to a husband and wife on a joint federal income tax return for a previous taxable year, shall be reported on joint or separate Minnesota income tax returns. In the case of separate Minnesota returns, the overpayment shall be reported by each spouse proportionately according to the relative amounts of federal income tax claimed as a deduction on his or her separate Minnesota income tax return for such previous taxable year;

(7) In the case of a change of residence from Minnesota to another state or nation, the amount of moving expenses which exceed total reimbursements and which were therefore deducted in arriving at federal adjusted gross income;

(8) In the case of property disposed of on or after January 1, 1973, the amount of any increase in the taxpayer's federal tax liability under section 47 of the Internal Revenue Code of 1954, as amended through December 31, 1976, to the extent of the credit under section 38 of the Internal Revenue Code of 1954, as amended through December 31, 1976, that was previously allowed as a deduction either under section 290.01, subdivision 20 (b) (9) or under section 290.09, subdivision 24; and

(9) Expenses and losses arising from a farm which are not allowable under section 290.09, subdivision 29;

(10) Expenses and depreciation attributable to substandard buildings disallowed by section 290.101; and

(11) The amount by which the gain determined pursuant to section 41.59, subdivision 2 exceeds the amount of such gain included in federal adjusted gross income;

(13) Interest income from qualified scholarship funding bonds as defined in section 103(e) of the Internal Revenue Code of 1954, as amended through December 31, 1976, if the nonprofit corporation is domiciled outside of Minnesota;

(14) Exempt-interest dividends, as defined in section 552(b) (5)(A) of the Internal Revenue Code of 1954, as amended through December 31, 1976, not included in federal adjusted gross income pursuant to section 852(b) (5)(B) of the Internal Revenue Code of 1954, as amended through December 31, 1976, except for that portion of such exempt-interest dividends derived from interest income on obligations of the state of Minnesota, any of its political or governmental subdivisions, any of its municipalities, or any of its governmental agencies or instrumentalities;

(15) The amount of any excluded gain realized by a trust on the sale or exchange of property as defined in section 641(c) (1).

(b) Modifications reducing federal adjusted gross income. There shall be subtracted from federal adjusted gross income:

(1) Interest income on obligations of any authority, commission or instrumentality of the United States to the extent includible in gross income for federal income tax purposes but exempt from state income tax under the laws of the United States;

(2) The portion of any gain, from the sale or other disposition of property having a higher adjusted basis for Minnesota income tax purposes than for federal income tax purposes, that does not exceed such difference in basis; but if such gain is considered a long-term capital gain for federal income tax purposes, the modification shall be limited to fifty per centum of such portion of the gain. This modification shall not be applicable if the difference in basis is due to disallowance of depreciation pursuant to section 290.101.

(3) Interest or dividend income on securities to the extent exempt from income tax under the laws of this state authorizing the issuance of such securities but includible in gross income for federal income tax purposes;

(4) Losses, not otherwise reducing federal adjusted gross income assignable to Minnesota, arising from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20, including any capital loss or net operating loss carryforwards or carrybacks resulting from such losses;

(5) If included in federal adjusted gross income, the amount of any credit received, whether received as a refund or credit to another taxable year's income tax liability, pursuant to chapter 290A, and the amount of any overpayment of income tax to Minnesota, or any other state, for any previous taxable year, whether such amount is received as a refund or credited to another taxable year's income tax liability;

(6) The amount of any pension or benefit which is excluded from gross income under the provisions of section 290.08, subdivision 6; and

(7) In the case of property acquired on or after January 1, 1973, the amount of any credit to the taxpayer's federal tax liability under section 38 of the Internal Revenue Code of 1954, as amended through December 31, 1976, but only to the extent that the credit is connected with or allocable against the production or receipt of income included in the measure of the tax imposed by this chapter;

~~(10)~~ (8) The amount of any distribution from a qualified pension or profit sharing plan included in federal adjusted gross income in the year of receipt to the extent of any contribution not previously allowed as a deduction by reason of a change in federal law which was not adopted by Minnesota law for a taxable year beginning in 1974 or later; and

(9) The amount of any credit against the taxpayer's federal tax liability for the preceding taxable year provided for expenditures for tuition for post-secondary education.

(c) Modifications affecting shareholders of electing small business corporations under section 1372 of the Internal Revenue Code of 1954, or section 290.972 of this chapter.

(1) Shareholders in a small business corporation, which has elected to be so taxed under the Internal Revenue Code of 1954,

but has not made an election under section 290.972 of this chapter, shall deduct from federal adjusted gross income the amount of any imputed income from such corporation and shall add to federal adjusted gross income the amount of any loss claimed as a result of such stock ownership. Also there shall be added to federal adjusted gross income the amount of any distributions in cash or property made by said corporation to its shareholders during the taxable year.

(2) In cases where the small business corporation has made an election under section 1372 of the Internal Revenue Code of 1954, but has not elected under section 290.972 of this chapter and said corporation is liquidated or the individual shareholder disposes of his stock and there is no capital loss reflected in federal adjusted gross income because of the fact that corporate losses have exhausted the shareholders basis for federal purposes, such shareholders shall be entitled, nevertheless, to a capital loss commensurate to their Minnesota basis for the stock.

(3) In cases where the election under section 1372 of the Internal Revenue Code of 1954 antedates the election under section 290.972 of this chapter and at the close of the taxable year immediately preceding the effective election under section 290.972 the corporation has a reserve of undistributed taxable income previously taxed to shareholders under the provisions of the Internal Revenue Code of 1954, in the event and to the extent that such reserve is distributed to shareholders such distribution shall be taxed as a dividend for purposes of this act.

Items of gross income includible within these definitions shall be deemed such regardless of the form in which received. Items of gross income shall be included in gross income of the taxable year in which received by a taxpayer unless properly to be accounted for as of a different taxable year under methods of accounting permitted by section 290.07, except that (1) amounts transferred from a reserve or other account, if in effect transfers to surplus, shall, to the extent that such amounts were accumulated through deductions from gross income or entered into the computation of taxable net income during any taxable year, be treated as gross income for the year in which the transfer occurs, but only to the extent that such amounts resulted in a reduction of the tax imposed by this act, and (2) amounts received as refunds on account of taxes deducted from gross income during any taxable year shall be treated as gross income for the year in which actually received, but only to the extent that such amounts resulted in a reduction of the tax imposed by this act.

(d) Modification in computing taxable income of the estate of a decedent. Amounts allowable under section 291.07, subdivision 1(2) in computing Minnesota inheritance tax liability shall not be allowed as a deduction in computing the taxable income of the estate unless there is filed within the time and in the manner and form prescribed by the commissioner a statement that the amounts have not been allowed as a deduction under section 291.07 and a waiver of the right to have such amounts allowed at any time as deductions under section 291.07. The provisions of

this paragraph shall not apply with respect to deductions allowed under section 290.077 (relating to income in respect of decedents). In the event that the election made for federal tax purposes under section 642(g) of the Internal Revenue Code of 1954 differs from the election made under this paragraph appropriate modification of the estate's federal taxable income shall be made to implement the election made under this paragraph in accordance with regulations prescribed by the commissioner.

Sec. 2. [EFFECTIVE DATE.] *This article is effective for taxable years beginning after December 31, 1978.*

ARTICLE VIII

Section 1. [DEFINITIONS.] *Subdivision 1. For the purposes of sections 1 and 2 the following terms shall have the meanings given them in this section.*

Subd. 2. "Electric utility" means a person, corporation or other legal entity operating equipment or facilities in this state for furnishing electric service to the public at retail or to its members.

Subd. 3. "Major electric generating facility" means a facility designed for operation at a capacity of 200 megawatts or more, capable of producing electrical energy for the purpose of transmission and distribution to a consumer.

Subd. 4. "Taxing district" means a county, city, town, school district, special district or other governmental entity permitted to levy ad valorem taxes.

Subd. 5. "Taxes" shall include payments made to taxing authorities in lieu of taxes by municipal power agencies pursuant to Minnesota Statutes, Section 453.54, Subdivision 20.

Sec. 2. [TAX LEVIED BY LOCAL TAXING DISTRICTS ON MAJOR ELECTRIC GENERATING FACILITIES.] *A taxing district having a major electric generating facility within its boundaries shall spread its levy on 100 percent of the assessed value of the land and structures used by the electric utility on the site. If the assessed value of the taxable attached machinery at the facility does not increase from its assessed value for the 1977 assessment year in subsequent years, the taxing district shall also spread its levy against 100 percent of the current taxable value of the attached machinery. If the assessed value of the taxable attached machinery at the facility does increase from the assessed value of the taxable attached machinery for the 1977 assessment year in subsequent years, the taxing district shall also spread its levy on 100 percent of the assessed value of the taxable attached machinery for the 1977 assessment year and 20 percent of the subsequent net increase in the assessed value of the taxable attached machinery at that facility. The remainder of the subsequent net increase in the assessed value of the taxable attached machinery shall be exempt from ad valorem taxation.*

Sec. 3. [EFFECTIVE DATE.] *Sections 1 and 2 are effective for taxes levied in 1978, payable in 1979 and subsequent years.*

ARTICLE IX

Section 1. Minnesota Statutes, 1977 Supplement, Section 290.06, Subdivision 9a, is amended to read:

Subd. 9a. [FEEDLOT POLLUTION CONTROL EQUIPMENT.] A credit of 10 percent of the net cost of pollution control and abatement equipment, including but not limited to, lagoons, concrete storage pits, slurry handling equipment and other equipment and devices approved by the pollution control agency, purchased, installed and operated within the state by a feedlot operator to prevent pollution of air, land, or water in connection with the operation of a livestock feedlot, poultry lot or other animal lot, may be deducted from the tax due under this chapter in the taxable year in which such equipment is purchased, provided that no deduction shall be taken for any portion of the cost of the same equipment pursuant to subdivision 9. The credit provided for in subdivision 9 shall terminate on December 31, 1976. The credit provided for in this subdivision shall terminate on December 31, 1980, except any amounts that are carried forward to a subsequent year may be taken as a credit in such subsequent years.

If the amount of the credit provided by this subdivision exceeds the taxpayer's liability for taxes pursuant to chapter 290 in the taxable year, *beginning after December 31, 1972*, in which the equipment is purchased, the excess amount may be carried forward to the four taxable years following the year of purchase. The entire amount of the credit not used in the year purchased shall be carried to the earliest of the four taxable years to which the credit may be carried and then to each of the three successive taxable years.

Sec. 2. Minnesota Statutes 1976, Section 290A.03, Subdivision 6, is amended to read:

Subd. 6. [HOMESTEAD.] "Homestead" means the dwelling occupied by a claimant as a place of residence and so much of the land surrounding it, not exceeding ~~one acre~~ *ten acres*, as is reasonably necessary for use of the dwelling as a home, except that this restriction shall not be applicable to agricultural land assessed as part of a homestead pursuant to section 273.13, subdivision 6. The homestead may be owned or rented and may be a part of a multi-dwelling or multi-purpose building and the land on which it is built. A mobile home, as defined in section 168.011, subdivision 8, assessed as personal property may be a dwelling for purposes of this subdivision.

Sec. 3. Minnesota Statutes, 1977 Supplement, Section 298.28, Subdivision 1, is amended to read:

298.28 [DIVISION AND DISTRIBUTION OF PROCEEDS.] Subdivision 1. The proceeds of the taxes collected under section 298.24, except the tax collected under section 298.24, subdivision 2, shall, upon certificate of the commissioner of revenue to the general fund of the state, be paid by the commissioner of revenue as follows:

(1) 2.5 cents per gross ton of merchantable iron ore concentrate, hereinafter referred to as "taxable ton", to the city or town in which the lands from which taconite was mined or quarried were located or within which the concentrate was produced. If the mining, quarrying, and concentration, or different steps in either thereof are carried on in more than one taxing district, the commissioner shall apportion equitably the proceeds of the part of the tax going to cities and towns among such subdivisions upon the basis of attributing 40 percent of the proceeds of the tax to the operation of mining or quarrying the taconite, and the remainder to the concentrating plant and to the processes of concentration, and with respect to each thereof giving due consideration to the relative extent of such operations performed in each such taxing district. His order making such apportionment shall be subject to review by the tax court of appeals at the instance of any of the interested taxing districts, in the same manner as other orders of the commissioner.

(2) 12.5 cents per taxable ton, *less any amount distributed under clause 8*, to the taconite municipal aid account in the apportionment fund of the state treasury, to be distributed as provided in section 298.282.

(3) 29 cents per taxable ton to school districts to be distributed as follows:

(a) 6 cents per taxable ton to the school districts in which the lands from which taconite was mined or quarried were located or within which the concentrate was produced. The commissioner shall follow the apportionment formula prescribed in clause (1).

(b) 23 cents per taxable ton, *less any amount distributed under part (c)*, shall be distributed to a group of school districts comprised of those school districts wherein the taconite was mined or quarried or the concentrate produced or in which there is a qualifying municipality as defined by section 273.134 or in which is located property which is entitled to the reduction of tax pursuant to section 273.135, subdivision 2, clause (c). The 23 cents, *less any amount distributed under part (c)*, shall be distributed in direct proportion to school district tax levies as follows: each district shall receive that portion of the total distribution which its permitted levy for the prior year, computed pursuant to section 275.125, comprises of the sum of permitted levies for the prior year for all qualifying districts, computed pursuant to section 275.125. That portion of the amount so distributed to a school district which is not deducted from state aids in section 124.212, subdivision 8a, shall be included in computing the permissible levies under section 275.125. For purposes of distributions pursuant to this part, permitted levies for the prior year computed pursuant to section 275.125 shall not include the amount of any increased levy authorized by referendum pursuant to section 275.125, subdivision 2a, clause (4).

(c) There shall be distributed to any school district the amount which the school district was entitled to receive under section 298.32 in 1975.

(4) 19.5 cents per taxable ton to counties to be distributed as follows:

(a) 15.5 cents per taxable ton shall be distributed to the county in which the taconite is mined or quarried or in which the concentrate is produced, less any amount which is to be distributed pursuant to part (b). The commissioner shall follow the apportionment formula prescribed in clause (1).

(b) If an electric power plant owned by and providing the primary source of power for a taxpayer mining and concentrating taconite is located in a county other than the county in which the mining and the concentrating processes are conducted, one cent per taxable ton of the tax distributed to the counties pursuant to part (a) and imposed on and collected from such taxpayer shall be distributed by the commissioner of revenue to the county in which the power plant is located.

(c) 4 cents per taxable ton shall be paid to the county from which the taconite was mined, quarried or concentrated to be deposited in the county road and bridge fund. If the mining, quarrying and concentrating, or separate steps in any of those processes are carried on in more than one county, the commissioner shall follow the apportionment formula prescribed in clause (1).

(5) (a) 25.75 cents per taxable ton, less any amount required to be distributed under part (b), to the taconite property tax relief account in the apportionment fund in the state treasury, to be distributed as provided in sections 273.134 to 273.136.

(b) If an electric power plant owned by and providing the primary source of power for a taxpayer mining and concentrating taconite is located in a county other than the county in which the mining and the concentrating processes are conducted, .75 cent per taxable ton of the tax imposed and collected from such taxpayer shall be distributed by the commissioner of revenue to the county and school district in which the power plant is located as follows: 25 percent to the county and 75 percent to the school district.

(6) 1 cent per taxable ton to the state.

(7) 3 cents per taxable ton shall be deposited in the state treasury to the credit of the iron range resources and rehabilitation board account in the special revenue fund for the purposes of section 298.22. Of this amount, one cent per taxable ton is to be used to provide environmental development grants to local governments located within any county in region 3 as defined in governor's executive order number 60 issued on June 12, 1970, which does not contain a municipality qualifying pursuant to section 273.134.

(8) .20 cent per taxable ton shall be paid in 1979 and each year thereafter, to the range association of municipalities and schools, for the purpose of providing an area wide approach to problems which demand coordinated and cooperative actions and which are

common to those areas of northeast Minnesota affected by operations involved in mining iron ore and taconite and producing concentrate therefrom, and for the purpose of promoting the general welfare and economic development of the cities, towns and school districts within the iron range area of northeast Minnesota.

~~(8)~~ (9) the amounts determined under clauses (4) (a), (4) (c), and (5) shall be increased in 1979 and subsequent years in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1.

~~(9)~~ (10) the proceeds of the tax imposed by section 298.24 which remain after the distributions in clauses (1) to ~~(8)~~ (9) and parts (a), (b), (c), and (d) of this clause have been made shall be divided between the taconite environmental protection fund created in section 298.223 and the northeast Minnesota economic protection fund created in section 298.292 as follows: In 1978, 1979, 1980, 1981, and 1982, two-thirds to the taconite environmental protection fund and one-third to the northeast Minnesota economic protection fund; in 1983 and thereafter, one-half to each fund. The proceeds shall be placed in the respective special accounts in the general fund.

(a) In 1978 and each year thereafter, there shall be distributed to each city, town, school district, and county the amount that they received under section 294.26 in calendar year 1977.

(b) In 1978 and each year thereafter, there shall be distributed to the iron range resources and rehabilitation board the amounts it received in 1977 under section 298.22.

(c) In 1978 and each year thereafter, \$50,000 shall be distributed to the department of revenue for auditing and enforcing the production tax imposed by Laws 1977, Chapter 423, Article 10.

(d) In 1978 and 1979, \$150,000 shall be distributed to the department of revenue for the purpose of administering section 298.48. In 1980 and each year thereafter, \$100,000 shall be distributed to the department of revenue. On or before October 10 of each calendar year each producer of taconite or iron sulphides subject to taxation under section 298.24 (hereinafter called "taxpayer") shall file with the commissioner of revenue and with the county auditor of each county in which such taxpayer operates, and with the chief clerical officer of each school district, city or town which is entitled to participate in the distribution of the tax, an estimate of the amount of tax which would be payable by such taxpayer under said law for such calendar year; provided such estimate shall be in an amount not less than the amount due on the mining and production of concentrates up to September 30 of said year plus the amount becoming due because of probable production between September 30 and December 31 of said year, less any credit allowable as hereinafter provided. Such estimate shall list the taxing districts entitled to participate in the distribution of such tax, and the amount of the estimated tax which would be distributable to each such district in the next ensuing calendar year on the basis of the last percentage distribution certified by

the commissioner of revenue. If there be no such prior certification, the taxpayer shall set forth its estimate of the proper distribution of such tax under the law, which estimate may be corrected by the commissioner if he deems it improper, notice of such correction being given by him to the taxpayer and the public officers receiving such estimate. The officers with whom such report is so filed shall use the amount so indicated as being distributable to each taxing district in computing the permissible tax levy of such county, city or school district in the year in which such estimate is made, and payable in the next ensuing calendar year, except that in 1978 and 1979 two cents per taxable ton, and in 1980 and thereafter, one cent per taxable ton of the amount distributed under clause (4) (c) shall not be deducted in calculating the permissible levy. Such taxpayer shall then pay, at the times payments are required to be made pursuant to section 298.27, as the amount of tax payable under section 298.24, the greater of (a) the amount shown by such estimate, or (b) the amount due under said section as finally determined by the commissioner of revenue pursuant to law. If, as a result of the payment of the amount of such estimate, the taxpayer has paid in any calendar year an amount of tax in excess of the amount due in such year under section 298.24, after application of credits for any excess payments made in previous years, all as determined by the commissioner of revenue, the taxpayer shall be given credit for such excess amount against any taxes which, under said section, may become due from the taxpayer in subsequent years. In any calendar year in which a general property tax levy subject to sections 275.125 or 275.50 to 275.59 has been made, if the taxes distributable to any such county, city or school district are greater than the amount estimated to be paid to any such county, city or school district in such year, the excess of such distribution shall be held in a special fund by the county, city or school district and shall not be expended until the succeeding calendar year, and shall be included in computing the permissible levies under sections 275.125 or 275.50 to 275.59, of such county, city or school district payable in such year. If the amounts distributable to any such county, city or school district, after final determination by the commissioner of revenue under this section are less than the amounts indicated by such estimates, such county, city or school district may issue certificates of indebtedness in the amount of the shortage, and may include in its next tax levy, in excess of the limitations of sections 275.125 or 275.50 to 275.59 an amount sufficient to pay such certificates of indebtedness and interest thereon, or, if no certificates were issued, an amount equal to such shortage.

There is hereby annually appropriated to such taxing districts as are stated herein, to the taconite property tax relief account and to the taconite municipal aid account in the apportionment fund in the state treasury, to the department of revenue, to the iron range resources and rehabilitation board, to the range association of municipalities and schools, to the taconite environmental protection fund, and to the northeast Minnesota economic protection fund, from any fund or account in the state treasury to which the money was credited, an amount sufficient to make the pay-

ment or transfer. The payment of the amount appropriated to such taxing districts shall be made by the commissioner of revenue on or before May 15 annually.

Sec. 4. Minnesota Statutes, 1977 Supplement, Section 298.293, is amended to read:

298.293 [DECLARATION OF EMERGENCY; EXPENDING FUNDS.] The funds provided by section 298.28, subdivision 1, clause (9), relating to the northeast Minnesota economic protection fund shall not be expended prior to (a) a declaration by the governor to the effect that the economic situation of northeast Minnesota requires remedial action by the legislature as a result of a decline in mineral-related activities, and (b) an appropriation of the funds by the legislature. The governor shall recommend to the legislature those measures that he believes will be appropriate in order to accomplish the purpose of his declaration. The funds provided by this fund may be spent only in those areas that are tax relief areas as defined in section 273.134. The funds provided by section 298.28, subdivision 1, clause (9), for this fund shall not be expended for this purpose prior to January 1, 2002. *If during any year the taconite property tax account under sections 273.134 to 273.136 does not contain sufficient funds to pay the property tax relief specified, there is appropriated from this fund to the relief account sufficient funds to pay the relief specified in sections 273.134 to 273.136.*

Sec. 5. [EFFECTIVE DATE.] *Section 1 is effective for taxable years beginning after December 31, 1973. Section 2 is effective for claims based on rent paid in 1978 and subsequent years and property taxes payable in 1979 and subsequent years. Section 3 is effective July 1, 1978."*

Further, amend the title by striking it and inserting

"A bill for an act relating to taxation; increasing low income credits; eliminating the sales tax on newsprint and ink; repealing the employer's excise tax; increasing personal credits; providing additional personal credits for blind dependents and for homemakers; reducing certain income tax rates; exempting from income taxation amounts realized as federal tax credits for educational expenses; exempting from property taxation a portion of increased value of major electric generating facilities; providing for retroactive carryforward of feedlot pollution control credit; increasing the size of a homestead qualifying for property tax refund; providing for distribution of taconite production tax to the range association of municipalities and schools; providing funds for taconite property tax relief account; appropriating money; amending Minnesota Statutes 1976, Sections 290.06, Subdivision 3d, and by adding subdivisions; 290A.03, Subdivision 6; 297A.14; 297A.25, Subdivision 1; and Minnesota Statutes, 1977 Supplement, Sections 290.01, Subdivision 20; 290.06, Subdivisions 2c, 3c, and 9a; 298.28, Subdivision 1; and 298.293; repealing Minnesota Statutes 1976, Sections 290.031, Subdivisions 1, 2, 3, 5, and 6; 290.06, Subdivisions 3a and 3b; 290.921; and 290.922; and Min-

nesota Statutes, 1977 Supplement, Section 290.031, Subdivision 4.”

The motion prevailed. So the amendment was adopted.

Mr. Stokowski moved to amend H. F. No. 2250, as amended by the Senate March 11, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 2051.)

Pages 26 and 27, strike Article VIII

Renumber the remaining articles in sequence

Further, amend the title as follows:

Page 1, strike lines 10 and 11

Page 1, line 12, strike “facilities;”

The motion prevailed. So the amendment was adopted.

Mr. Frederick moved to amend H. F. No. 2250, as amended by the Senate March 11, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 2051.)

Pages 11 to 16, strike articles IV and V

Page 16, line 25, strike “six-tenths” and insert “*forty-eight hundredths*”

Page 16, line 26, strike “two-tenths” and insert “*three-hundredths*”

Page 16, line 27, strike “five-tenths” and insert “*twenty-three hundredths*”

Page 16, line 28, strike “eight-tenths” and insert “*thirty-six hundredths*”

Page 16, line 29, strike “seven and three-tenths” and insert “*six and seventy-five hundredths*”

Page 16, line 30, strike “eight-tenths” and insert “*fourteen-hundredths*”

Page 16, line 31, strike “ten and two-tenths” and insert “*nine and forty-three hundredths*”

Page 16, line 32, strike “eleven and five-tenths” and insert “*ten and sixty-three hundredths*”

Page 17, line 1, strike “twelve and eight-tenths” and insert “*eleven and eighty-four hundredths*”

Page 17, line 4, strike “fourteen” and insert “*twelve and ninety-five hundredths*”

Page 17, line 5, restore the stricken language and strike the new language.

Page 17, line 6, strike "fifteen" and insert "*thirteen and eighty-seven hundredths*"

Page 17, line 7, restore the stricken language, and strike "sixteen" and insert "*fourteen and eight-tenths*"

Page 17, line 8, restore the stricken language

Page 17, line 9, restore the stricken language

Page 17, line 10, strike "sixteen" and insert "*fifteen and seventy-two hundredths*"

Page 17, line 11, strike "seventeen" and insert "*sixteen and sixty-five hundredths*"

Renumber the remaining articles in sequence

Mr Nichols moved to amend the Frederick amendment to H. F. 2250 as follows:

In the Frederick amendment to page 17, line 11, strike "*sixteen and sixty-five hundredths*" and insert "*twenty*"

The question was taken on the adoption of the amendment to the Frederick amendment.

The roll was called, and there were yeas 11 and nays 44, as follows:

Those who voted in the affirmative were:

Chenoweth	Keefe, S.	Nichols	Peterson	Sikorski
Gunderson	Merriam	Ogdahl	Schaaf	Spear
Hughes				

Those who voted in the negative were:

Anderson	Dunn	Kleinbaum	Moe	Stokowski
Ashbach	Engler	Knaak	Nelson	Strand
Bang	Frederick	Knoll	Olhoft	Stumpf
Benedict	Gearty	Knutson	Penny	Tennessee
Bernhagen	Hanson	Laufenburger	Pillsbury	Ueland, A.
Borden	Jensen	Lessard	Renneke	Ulland, J.
Brataas	Johnson	Luther	Schmitz	Vega
Davies	Keefe, J.	McCutcheon	Sieloff	Willett
Dieterich	Kirchner	Menning	Staples	

The motion did not prevail. So the amendment to the Frederick amendment was not adopted.

Mr. Sieloff moved that the Call of the Senate be lifted. The motion did not prevail.

The question recurred on the Frederick amendment.

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 18 and nays 40, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Keefe, J.	Ogdahl	Sieloff
Bang	Engler	Kirchner	Pillsbury	Ueland, A.
Bernhagen	Frederick	Knaak	Renneke	Ulland, J.
Brataas	Jensen	Knutson		

Those who voted in the negative were:

Anderson	Gunderson	Luther	Olson	Staples
Benedict	Hanson	McCutcheon	Penny	Stokowski
Borden	Hughes	Menning	Peterson	Strand
Chenoweth	Johnson	Merriam	Schmitz	Stumpf
Chmielewski	Keefe, S.	Moe	Schrom	Tennessee
Davies	Knoll	Nelson	Setzenfandt	Vega
Dieterich	Laufenburger	Nichols	Sikorski	Wegener
Gearty	Lessard	Oihoff	Spear	Willet

The motion did not prevail. So the amendment was not adopted.

Mr. Keefe, J. moved to amend H. F. No. 2250, as amended by the Senate March 11, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 2051.)

Page 37, after line 9, insert:

"ARTICLE X

Section 1. Minnesota Statutes 1976, Section 290A.07, Subdivision 2, is amended to read:

Subd. 2. ~~A Any claimant who is a renter or who had attained the age of 65 or had been disabled prior to June 1 of the year following the year for which the taxes were levied or in which the rent was paid shall receive full payment no later than 60 days after receipt of the application or may elect to take as a credit against his income tax the full amount.~~

Sec. 2. Minnesota Statutes 1976, Section 290A.07, Subdivision 3, is amended to read:

Subd. 3. ~~Any claimant not included in subdivision 2 shall receive full payment after September 30 and prior to October 15.~~

Sec. 3. Minnesota Statutes 1976, Section 290A.07, Subdivision 4, is amended to read:

Subd. 4 3. Claims remaining unpaid 60 days after the dates provided in subdivisions ~~subdivision 2 and 3~~, shall have interest added at six percent per annum from the later date until the date the claim is paid.

Sec. 4. [EFFECTIVE DATE.] *This article shall be effective after December 31, 1979.*

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 18 and nays 35, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Jensen	Ogdahl	Sieloff
Bang	Dunn	Keefe, J.	Pillsbury	Ueland, A.
Bernhagen	Engler	Kirchner	Renneke	Ulland, J.
Brataas	Frederick	Knaak		

Those who voted in the negative were:

Benedict	Hughes	McCutcheon	Peterson	Stokowski
Chenoweth	Johnson	Menning	Schmitz	Strand
Chmielewski	Keefe, S.	Merriam	Schrom	Stumpf
Davies	Knoll	Nelson	Setzepfandt	Tennessen
Gearty	Laufenburger	Nichols	Sikorski	Vega
Gunderson	Lessard	Olson	Spear	Wegener
Hanson	Luther	Penny	Staples	Willet

The motion did not prevail. So the amendment was not adopted.

Mr. Ulland, J. moved to amend H. F. No. 2250 as follows:

(The text of the amended House File is identical to S. F. No. 2051.)

Page 21, line 9, strike "(9)" and insert "(8)"

Page 21, line 17, strike "(13)" and insert "(12)"

Page 21, line 21, strike "(14)" and insert "(13)"

Page 21, line 31, strike "(15)" and insert "(14)"

Page 23, line 8, strike "and"

Page 23, after line 8, insert:

"(7) The amount of compensation for personal services in the armed forces of the United States or the United Nations which is excluded from gross income under the provisions of section 290.65;"

Renumber the paragraphs accordingly

Page 23, strike lines 23 through 26

Page 26, after line 3, insert:

"Sec. 2. Minnesota Statutes 1976, Section 290.65, is amended by adding a subdivision to read:

Subd. 1a. [GROSS INCOME, EXCLUSION.] The first \$3,000 received by any individual as compensation for personal services in the armed forces of the United States or the United Nations, shall be excluded from gross income in computing income taxes under the provisions of this chapter. The next \$2,000 received by an individual as compensation for personal services in the armed forces of the United States or the United Nations wholly performed outside of the state of Minnesota, shall also be excluded from gross income in computing taxes under the provisions of this chapter."

Renumber the sections in sequence

Amend the title as follows:

Line 21, after "subdivisions;" insert "290.65, by adding a subdivision;"

The question was taken on the adoption of the amendment.

Mr. McCutcheon moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 29 and nays 30, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Knoll	Renneke	Strand
Bang	Frederick	Lessard	Schmitz	Ueland, A.
Bernhagen	Jensen	Nichols	Schrom	Ulland, J.
Brataas	Keefe, J.	Ogdahl	Setzepfandt	Wegener
Chmielewski	Kirchner	Penny	Sieloff	Willet
Dunn	Knaak	Pillsbury	Sikorski	

Those who voted in the negative were:

Anderson	Gunderson	Laufenburger	Nelson	Spear
Benedict	Hanson	Luther	Olhoft	Staples
Chenoweth	Hughes	McCutcheon	Olson	Stokowski
Davies	Johnson	Menning	Peterson	Stumpf
Dieterich	Keefe, S.	Merriam	Purfeerst	Tennessee
Gearty	Kleinbaum	Moe	Schaaf	Vega

The motion did not prevail. So the amendment was not adopted.

Mr. Jensen moved to amend H. F. No. 2250, as amended by the Senate, March 11, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 2051.)

Pages 16 and 17, strike article VI and insert:

"ARTICLE VI

Section 1. Minnesota Statutes, 1977 Supplement, Section 290.06, Subdivision 2c, is amended to read:

Subd. 2c. [SCHEDULE OF RATES FOR INDIVIDUALS, ESTATES AND TRUSTS.] (a) *Subject to subdivision 2d*, for taxable years beginning after December 31, 1977, the income taxes imposed by this chapter upon individuals, estates and trusts, other than those taxable as corporations, shall be computed by applying to their taxable net income in excess of the applicable credits allowed by section 290.21, the following schedule of rates:

- (1) On the first \$500, one and six-tenths percent;
- (2) On the second \$500, two and two-tenths percent;
- (3) On the next \$1,000, three and five-tenths percent;
- (4) On the next \$1,000 five and eight-tenths percent;
- (5) On the next \$1,000, seven and three-tenths percent;
- (6) On the next \$1,000, eight and eight-tenths percent;
- (7) On the next \$2,000, ten and two-tenths percent;

- (8) On the next \$2,000, eleven and five-tenths percent;
- (9) On the next \$3,500, twelve and eight-tenths percent;
- (10) On all over \$12,500, and not over \$20,000, fourteen percent;
- (11) On all over \$20,000 and not over \$25,000, fifteen percent;
- (12) On all over \$25,000 and not over \$35,000, sixteen percent.
- (13) On all over \$35,000 and not over \$50,000, seventeen percent;
- (14) On the remainder, eighteen percent.

(b) In lieu of a tax computed according to the rates set forth in clause (a) of this subdivision *and subdivision 2d*, the tax of any individual taxpayer whose taxable net income for the taxable year, reduced by the applicable credits allowed by section 290.21, is less than \$20,000 shall be computed in accordance with tables prepared and issued by the commissioner of revenue based on income brackets of not more than \$100. The amount of tax for each bracket shall be computed at the rates set forth in this subdivision *and subdivision 2d*, provided that the commissioner may disregard a fractional part of a dollar unless it amounts to 50 cents or more, in which case it may be increased to \$1.

Sec. 2. Minnesota Statutes 1976, Section 290.06, is amended by adding a subdivision to read:

Subd. 2d. [INFLATION ADJUSTMENT.] For taxable years beginning after December 31, 1977, the rates imposed by subdivision 2c shall be adjusted for inflation. The commissioner of revenue shall annually determine the percentage increase in the consumer price index for the Minneapolis-St. Paul metropolitan area prepared by the United States department of labor with 1967 as a base year. The commissioner shall determine the increase from September 1, 1977 to August 30 each succeeding year, and he shall announce the percentage figure by November 1, each year. The dollar amount in each range of the schedule shall be multiplied by that percentage. The product of each calculation shall be added to the dollar amount in each range to produce inflation adjusted taxable net income subject to the rates in subdivision 2c for each succeeding year."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 17 and nays 39, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Keefe, J.	Ogdahl	Sieloff
Bang	Engler	Kirchner	Pillsbury	Ueland, A.
Bernhagen	Frederick	Knaak	Renneke	Ulland, J.
Brataas	Jensen			

Those who voted in the negative were:

Anderson	Chmielewski	Gearty	Johnson	Laufenburger
Benedict	Davies	Gunderson	Keefe, S.	Lessard
Chenoweth	Dieterich	Hanson	Knoll	Luther

McCutcheon	Nichols	Purfeerst	Solon	Stumpf
Menning	Olhoft	Schaaf	Spear	Tennessee
Merriam	Olson	Schmitz	Staples	Vega
Moe	Penny	Setzepfandt	Stokowski	Willet
Nelson	Peterson	Sikorski	Strand	

The motion did not prevail. So the amendment was not adopted.

Mr. Bernhagen moved to amend H. F. No. 2250, as amended by the Senate March 11, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 2051.)

Page 13, after line 4, insert:

(j) In the case of an unmarried individual who is disabled at the close of the taxable year, an additional \$45.

(k) In the case of a married individual, an additional \$45 for each spouse who is disabled at the close of the taxable year. If the husband and wife make separate returns, these credits may be taken by either or divided between them.

(l) In the case of an individual, an additional \$45 for each person (other than a spouse) who is disabled and dependent upon and receiving his chief support from the taxpayer.

(m) For the purposes of such paragraphs (j), (k) and (l), an individual is disabled if he is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or has lasted or can be expected to last for a continuous period of not less than 12 months.

An individual shall be determined to be under a disability only if his physical or mental impairment or impairments are of such severity that he is not only unable to do his previous work but cannot, considering his age, education, and work experience, engage in any other kind of substantial gainful work which exists in the state economy, regardless of whether the work exists in the immediate area in which he lives, or whether a specific job vacancy exists for him, or whether he would be hired if he applied for work. For purposes of the preceding sentence, "work which exists in the state economy" means work which exists in significant numbers either in the area where the individual lives or in several areas of the state.

A "physical or mental impairment" is an impairment that results from anatomical, physiological, or psychological abnormalities which are demonstrable by medically acceptable clinical and laboratory diagnostic techniques."

Page 15, after line 13, insert:

(j) In the case of an unmarried individual who is disabled at the close of the taxable year, an additional \$50.

(k) In the case of a married individual, an additional \$50 for each spouse who is disabled at the close of the taxable year. If the husband and wife make separate returns, these credits may be taken by either or divided between them.

(l) *In the case of an individual, an additional \$50 for each person (other than a spouse) who is disabled and dependent upon and receiving his chief support from the taxpayer.*

(m) *For the purposes of such paragraphs (j), (k) and (l), an individual is disabled if he is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or has lasted or can be expected to last for a continuous period of not less than 12 months.*

An individual shall be determined to be under a disability only if his physical or mental impairment or impairments are of such severity that he is not only unable to do his previous work but cannot, considering his age, education, and work experience, engage in any other kind of substantial gainful work which exists in the state economy, regardless of whether the work exists in the immediate area in which he lives, or whether a specific job vacancy exists for him, or whether he would be hired if he applied for work. For purposes of the preceding sentence, "work which exists in the state economy" means work which exists in significant numbers either in the area where the individual lives or in several areas of the state.

A "physical or mental impairment" is an impairment that results from anatomical, physiological, or psychological abnormalities which are demonstrable by medically acceptable clinical and laboratory diagnostic techniques."

Amend the title as follows:

Line 7, after "makers" insert "and disabled persons"

The motion prevailed. So the amendment was adopted.

RECONSIDERATION

Mr. Menning moved that the vote whereby the Ulland J. amendment failed to pass the Senate on March 11, 1978, be now reconsidered.

The question was taken on the adoption of the motion.

Mr. McCutcheon moved that those not voting be excused from voting.

The question was taken on the adoption of the McCutcheon motion.

The roll was called, and there were yeas 42 and nays 19, as follows:

Those who voted in the affirmative were:

Anderson	Hughes	McCutcheon	Purfeerst	Strand
Benedict	Johnson	Merriam	Schaaf	Stumpf
Chenoweth	Keefe, S.	Moe	Schmitz	Tennessee
Chmielewski	Kleinbaum	Nelson	Schrom	Vega
Davies	Knoll	Nichols	Setzepfandt	Wegener
Dieterich	Laufenburger	Olhoff	Sikorski	Willet
Gearty	Lessard	Olson	Solon	
Gunderson	Lewis	Penny	Spear	
Hanson	Luther	Peterson	Stokowski	

Those who voted in the negative were:

Ashbach	Dunn	Keefe, J.	Menning	Sieloff
Bang	Engler	Kirchner	Ogdahl	Ueland, A.
Bernhagen	Frederick	Knaak	Pillsbury	Ulland, J.
Brataas	Jensen	Knutson	Renneke	

The motion prevailed.

The question recurred on the Menning motion.

The roll was called, and there were yeas 26 and nays 35, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Kirchner	Ogdahl	Sieloff
Bang	Frederick	Knaak	Pillsbury	Ueland, A.
Bernhagen	Gunderson	Knutson	Renneke	Ulland, J.
Brataas	Jensen	Lessard	Schmitz	Wegener
Chmielewski	Keefe, J.	Menning	Schrom	Willet
Dunn				

Those who voted in the negative were:

Anderson	Hughes	Luther	Olson	Solon
Benedict	Johnson	McCutcheon	Penny	Spear
Chenoweth	Keefe, S.	Merriam	Purfeorn	Stokowski
Davies	Kleinbaum	Moe	Purfeerst	Strand
Dieterich	Knoll	Nelson	Schaaf	Stumpf
Gearty	Laufenburger	Nichols	Setzepfandt	Tennessen
Hanson	Lewis	Olhoff	Sikorski	Vega

The motion did not prevail. So the vote was not reconsidered.

H. F. No. 2250: A bill for an act relating to taxation; increasing credits available to certain taxpayers; removing sales taxes on residential heating fuels; providing additional refunds for residential heating costs for certain taxpayers; reducing the income tax rate on corporations; eliminating the arithmetic average from the formula used for the apportionment of trade or business income among states; amending Minnesota Statutes 1976, Sections 290.06, Subdivisions 1 and 3d; 290.19, Subdivision 1; 290.361, Subdivision 2; 290A.07, Subdivision 1; 297A.25, Subdivision 1; Chapter 290, by adding a section; and Chapter 290A, by adding a section; and Minnesota Statutes, 1977 Supplement, Sections 290.06, Subdivision 3c; and 290A.06.

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 role was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Chmielewski	Hanson	Kleinbaum	Luther
Ashbach	Dieterich	Hughes	Knaak	McCutcheon
Bang	Dunn	Jensen	Knoll	Menning
Benedict	Engler	Johnson	Knutson	Moe
Bernhagen	Frederick	Keefe, J.	Laufenburger	Nelson
Brataas	Gearty	Keefe, S.	Lessard	Nichols
Chenoweth	Gunderson	Kirchner	Lewis	Ogdahl

Olhoff	Purfeerst	Setzepfandt	Staples	Ueland, A.
Olson	Renneke	Sieloff	Stokowski	Ulland, J.
Penny	Schaaf	Sikorski	Strand	Vega
Perpich	Schmitz	Solon	Stumpf	Wegener
Peterson	Schrom	Spear	Tennessen	Willet
Pillsbury				

So the bill, as amended, passed and its title was agreed to.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Merriam moved that H. F. No. 1885 be taken from the table. The motion prevailed.

SUSPENSION OF RULES

Mr. Merriam 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. 1885 and that the rules of the Senate be so far suspended as to give H. F. No. 1885 its second and third reading and place it on its final passage. The motion prevailed.

H. F. No. 1885 was read the second time.

H. F. No. 1885: A bill for an act relating to education; providing for certain adjustments in aids to education, tax levies, and the distribution of tax revenues; granting certain powers and duties to school boards, school districts, school bus contractors, the commissioner of education, the state board of education, the state board for vocational education, and the board of teaching; allowing certain fees; establishing formulas for travel aid and aid for certain secondary vocational education programs; increasing incentives for teacher mobility; appropriating money; amending Minnesota Statutes 1976, Sections 6.62, Subdivision 1; 120.17, Subdivision 3; 120.64, Subdivision 4; 120.73, by adding a subdivision; 121.21, Subdivision 6; 121.216; 121.904, Subdivision 7, and by adding a subdivision; 122.23, by adding subdivisions; 123.34, Subdivisions 4 and 8; 123.37, Subdivisions 1b, 3 and 4; 123.39, by adding subdivisions; 124.15, Subdivisions 2 and 6; 124.17, by adding a subdivision; 124.212, Subdivision 2; 124.222, by adding a subdivision; 124.563, Subdivision 2; 124.565, by adding a subdivision; 125.12, Subdivisions 6a and 6b; 125.185, Subdivision 4, and by adding a subdivision; 126.12; 127.25, Subdivisions 1, 2, and by adding a subdivision; 128A.02, by adding a subdivision; 128A.03, Subdivision 2; 134.03; 275.125, Subdivisions 6, 15, 16 and 18, and by adding a subdivision; 275.48; 298.39; 298.396; 471.16, Subdivision 1; 471.61, Subdivision 1; Chapter 120, by adding a section; Chapter 124, by adding sections. Minnesota Statutes, 1977 Supplement, Sections 121.912, Subdivision 1; 122.85, Subdivision 1; 124.17, Subdivision 1; 124.212, Subdivisions 5a and 8a; 124.214; 124.222, Subdivision 6; 124.223; 124.32, Subdivisions 1b, 5 and 7; 124.562, Subdivision 1; 124.563, Subdivision 1; 124.572, Subdivision 3; 124.573, Subdivisions 2, 3, and by adding a subdivision; 125.60, Subdivision 2; 125.61, Subdivisions 1 and 2; 176.011, Subdivision 9; 275.07; 275.124; 275.125, Subdivisions 2a, 9 and 13; 298.28, Subdivision 1; Laws 1967

Chapter 33, by adding a section; Laws 1967, Chapter 822, Section 7, as amended; Laws 1969, Chapter 775, Section 4, Subdivision 1 and Subdivision 2, as amended; Laws 1969, Chapter 1060, Section 7, as amended; Laws 1971, Chapter 722, Section 1, as amended; Laws 1977, Chapter 447, Article I, Section 23, Subdivision 2 and Article III, Section 16, Subdivision 2; repealing Minnesota Statutes 1976, Sections 120.065; 120.07; 124.02; 124.16; Minnesota Statutes, 1977 Supplement, Sections 123.39, Subdivision 5a, and 124.213.

Mr. Merriam moved that H. F. No. 1885 be amended, as follows:

Strike everything after the enacting clause and insert

"Section 1. Minnesota Statutes 1976, Section 6.62, Subdivision 1, is amended to read:

6.62 [POST-AUDIT; TAX LEVY] Subdivision 1 [LEVY OF TAX.] Counties, cities, and towns, and school districts are authorized, if necessary, to levy, over and above tax levy limitations for other governmental purposes, an amount sufficient to pay the expense of a post-audit by the state auditor.

A school district is authorized to levy an amount sufficient to pay for the expense of a post-audit by the state auditor if the audit is performed at the discretion of the state auditor pursuant to section 6.51 or if the audit has been requested through a petition by freeholders pursuant to section 6.54. A school district is not authorized to levy these amounts if the post-audit by the state auditor is requested by the school board pursuant to section 6.55.

Sec. 2. Minnesota Statutes 1976, Chapter 120, is amended by adding a section to read:

[120.075] *Any pupil who, pursuant to the provisions of Minnesota Statutes 1976, Section 120.065, or Minnesota Statutes, 1977 Supplement, Section 123.39, Subdivision 5a, was enrolled on January 1, 1978, in a school district of which he was not a resident may continue in enrollment in that district. This provision shall also apply to any younger brother or sister of that enrolled pupil who is related to that pupil by blood, adoption or marriage. The enrollment of that pupil or of the other qualified members of his family shall remain subject to the provisions of those sections as they read on January 1, 1978. Any district which had a pupil enrolled on January 1, 1978, pursuant to the provisions of Minnesota Statutes 1976, Section 120.065, or Minnesota Statutes, 1977 Supplement, Section 123.39, Subdivision 5a, shall report this fact to the commissioner prior to August 15, 1978.*

Sec. 3. Minnesota Statutes 1976, Section 120.17, Subdivision 3, is amended to read:

Subd. 3. [RULES OF THE STATE BOARD.] The state board shall promulgate rules relative to qualifications of essential personnel, courses of study or training, methods of instruction and training, pupil eligibility, size of classes, rooms, equipment, supervision, parent consultation and any other rules and standards it deems necessary, for instruction of handicapped children. These rules shall provide standards and procedures appropriate for the

implementation of and within the limitations of subdivisions 3a and 3b. *These rules shall also provide standards for the discipline of handicapped children relating to control, management and protection of these children.*

Sec. 4. Minnesota Statutes 1976, Section 120.64, Subdivision 4, is amended to read:

Subd. 4. Any school district operating a flexible school year program shall enter into one contract governing the entire school year with each teacher employed in a flexible program. If individual teachers contract to teach less than a period of 175 days during a school year, each 175 days of employment accrued during any five year period after the adoption of a flexible year program shall be deemed consecutive and shall constitute a full year's employment for purposes of establishing and retaining continuing contract rights to a full school year position pursuant to sections 125.12, subdivisions 3 and 4, and 125.17, subdivisions 2 and 3. A teacher who has not been discharged or advised of a refusal to renew his contract by April 1 of *the applicable date, as specified in section 125.12 or section 125.17, in the year in which he will complete the requisite number of days for securing a continuing contract shall have a continuing full school year contract with the district.*

Sec. 5. Minnesota Statutes 1976, Section 120.73, is amended by adding a subdivision to read:

Subd. 2a. Students may be required to furnish their own transportation to and from an instructional community-based employment station which is part of an approved occupational experience secondary vocational program. As an alternative, a school board may require the payment of reasonable fees for transportation to and from these instructional community-based employment stations. This subdivision shall only be applied to students who receive remuneration for their participation in these programs.

Sec. 6. Minnesota Statutes 1976, Section 121.21, Subdivision 6, is amended to read:

Subd. 6. The state board for vocational education shall promulgate, pursuant to chapter 15, such rules and regulations governing the operation and maintenance of schools so classified as will afford the people of the state an equal opportunity to acquire public vocational and technical education. *Rules relating to post-secondary vocational-technical education shall not incorporate the provisions of the state plan for vocational education by reference.*

The rules shall provide for, but are not limited to, the following:

(a) The area to be served by each school, which may include one or more districts or parts thereof;

(b) Curriculum and standards of instruction and scholarship;

(c) Attendance requirements, age limits of trainees, Minnesota non-resident attendance, and the determination of the actual costs of providing individual programs, and attendance for which no tuition shall be charged, all to be determined in accordance with the provisions of sections 124.561 to 124.565;

(d) The distribution and apportionment to the local districts of all funds, whether state or federal or other funds, which may be made available to the state board for vocational education for carrying out the purposes of post-secondary vocational-technical education in accordance with law and the approved state plan for vocational education ;

(e) Transportation requirements and payment of aid therefor; and

~~(f) Payment by the state board of tuition to school districts or post-secondary vocational-technical schools in another state; and~~

~~(g) (f) General administrative matters.~~

Sec. 7. Minnesota Statutes 1976, Section 121.216, is amended to read:

121.216 [VOCATIONAL-TECHNICAL INSTITUTES; STUDENT ASSOCIATIONS.] Every school board governing an area vocational technical institute shall give recognition as an authorized extracurricular activity to an area vocational-technical institute student association affiliated with the Minnesota vocational-technical student association. The student association is authorized to collect a reasonable voluntary fee from students to finance the activities of the association in an amount determined by each association after consultation with the governing board of the area vocational-technical institute which has recognized it. ~~No student shall be obligated to pay the fee or be excluded from the association's activities because of failure to pay the fee.~~

Every governing body which recognizes a student association shall deposit the fees in a student association fund. The moneys in this fund shall be available for expenditure for student recreational, social, welfare, and educational pursuits supplemental to the regular curricular offerings.

Sec. 8. Minnesota Statutes 1976, Section 121.904, Subdivision 7, is amended to read:

Subd. 7. Summer school aids shall be recognized as revenues and recorded as receivables ~~during the~~ *in proportion to the total number of summer school days in each fiscal year in which the a summer school session ends occurs* ; provided that nothing in this subdivision shall be construed to provide for a different rate of aid than that provided in section 124.20.

Sec. 9. Minnesota Statutes 1976, Section 121.904, is amended by adding a subdivision to read:

Subd. 11a. Beginning with payments received in fiscal year 1978, revenues received pursuant to sections 294.21 to 294.28; 298.23 to 298.28; 298.32; 298.34 to 298.39; 298.391 to 298.396; 298.405; 298.51 to 298.67; any law imposing a tax on severed mineral values or any other law distributing proceeds in lieu of ad valorem tax assessments on copper or nickel properties, shall be recognized as revenue in the school year received.

Sec. 10. *The year end fund balances for the 1977 school year shall be adjusted as though the provisions of section 9 of this act*

had been effective at that time and the June 30, 1977 statutory operating debt of a district which received payment pursuant to the provisions specified in section 9 of this act shall be recertified by the commissioner as though the revenue recognition provisions of section 9 of this act had been effective at that time.

Sec. 11. Minnesota Statutes, 1977 Supplement, Section 121.912, Subdivision 1, is amended to read:

121.912 [PERMANENT FUND TRANSFERS.] Subdivision 1. After July 1, 1977, no school district shall permanently transfer money from an operating fund to a nonoperating fund; provided, however, that permanent transfers may be made from an operating fund to any other fund to correct for prior fiscal years' errors discovered after the books have been closed for that year and , permanent transfers may be made from the general fund to eliminate deficits in another fund when that other fund is being discontinued , *and permanent transfers may be made from the area vocational-technical school general fund to the area vocational-technical school capital expenditure fund.*

Sec. 12. Minnesota Statutes, 1977 Supplement, Section 122.85, Subdivision 1, is amended to read:

122.85 [EXPERIMENTAL PAIRING.] Subdivision 1. Notwithstanding the provisions of sections 122.41 and 122.43, the board of any school district paired with another in this section upon approval by the school boards of both of the paired districts may enter into an agreement providing for the discontinuance by one district of any of grades kindergarten through 12 *or portions of those grades* and the instruction in the other district of the pupils in the discontinued grades *or portions of grades* . This provision shall apply on an experimental basis to the following pairs of school districts: Independent School Districts No. 217 and No. 220, No. 243 and No. 245, No. 328 and No. 516, No. 440 and No. 444, No. 649 and No. 650, No. 654 and No. 655, No. 782 and No. 783, and No. 893 and No. 896. These experimental pairing agreements shall not extend beyond June 30, 1980.

Sec. 13. Minnesota Statutes 1976, Section 122.23, is amended by adding a subdivision to read:

Subd. 16a. As of the effective date of the consolidation, all referendum levies previously approved by voters of the component districts for those districts pursuant to section 275.125, subdivision 2a, clause (4), or its predecessor or successor, are cancelled. However, if all of the territory of one and only one independent district maintaining a secondary school is included in the newly created district, and if the assessed valuation of taxable property in that territory comprises 90 percent or more of the assessed valuation of all taxable property in the newly created district, the board of the newly created district may levy the increased amount previously approved by a referendum in the pre-existing independent district upon all taxable property in the newly created district. Any new referendum levy shall be certified only after approval is granted by the voters of the entire newly created

district in an election pursuant to section 275.125, subdivision 2a, clause (4), or its successor referendum provision.

Sec. 14. Minnesota Statutes 1976, Section 122.23, is amended by adding a subdivision to read:

Subd. 16b. (1) In the year of the effective date of the consolidation, the newly created district may levy an amount per pupil unit equal to the sum of the products of the amounts per pupil unit levied pursuant to section 275.125, subdivisions 6 or 7, in each component district in the previous year times the number of pupil units from that component district who are enrolled in the newly created district in the year of the levy, divided by the total number of pupil units in the newly created district in the year of the levy.

(2) In each year thereafter, the newly created district shall be allowed to levy the same amount per pupil unit as allowed by clause (1) of this subdivision.

Sec. 15. Minnesota Statutes 1976, Section 122.23, is amended by adding a subdivision to read:

Subd. 16c. As of the effective date of the consolidation and subject to the conditions of section 275.125, subdivision 9a, all the taxable property in the newly created district which was previously taxable for the payment of any statutory operating debt theretofore incurred by any component district of which it was a part prior to the consolidation shall remain taxable for the payment of that debt. The amount of statutory operating debt attributable to that taxable property shall be apportioned according to the proportion which the adjusted assessed valuation of that part of the pre-existing district bears to the total adjusted assessed valuation of the entire pre-existing district at the time of the consolidation. This apportionment shall be made by the county auditor and shall be incorporated as an annex to the order of the commissioner dividing the assets and liabilities of the component parts. As used in this subdivision, "statutory operating debt" shall have the meaning given it in section 121.914.

Sec. 16. Minnesota Statutes 1976, Section 123.34, Subdivision 4, is amended to read:

Subd. 4. On July 1 of each year, The treasurer shall file with the clerk a report of his balances, receipts and disbursements by funds, for the year. Such report, together with his vouchers, shall be examined by the board and, if found correct, approved by resolution entered in the records. If incomplete or inaccurate, a further or amended report may be required by the board. He shall make such further all reports as which may from time to time be called for by the board and perform all duties usually incumbent on such officer.

Sec. 17. Minnesota Statutes 1976, Section 123.34, Subdivision 8, is amended to read:

Subd. 8. The clerk shall keep books provided by the district for

that purpose a record of all meetings of the district and the board in books provided by the district for that purpose. He shall, within three days after an election notify all persons elected of their election and, . On or before August 1 of each year he shall file with the board a report of the revenues, expenditures and balances in each fund for the preceding fiscal year. The report together with vouchers and supporting documents shall be examined by a public accountant paid by the school district. The board shall by resolution approve the report or require a further or amended report. On or before July 10 in August 15 of each year, he shall make and transmit to the county superintendent a commissioner certified report reports , showing:

- (1) The condition and value of school property;
- (2) The receipts revenues and disbursements expenditures in detail, and such other financial matter information required by law, rule, or as may be called for by the commissioner;
- (3) The length of school term and the enrollment and attendance by grades;
- (4) The names and post office addresses of all directors and other officers; and
- (5) (4) Such other items of information as may be called for by the commissioner.

He shall enter in his record book copies of all his reports and of the teachers' term reports, as they appear in the registers, and of the proceedings of any meeting as furnished him by the clerk pro tem, and keep an itemized account of all the expenses of the district. He shall furnish to the auditor of the proper county, on or before October 10 of each year, an attested copy of his record, showing the amount of money voted by the district or the board for school purposes; draw and sign all orders upon the treasurer for the payment of money for bills allowed by the board for salaries of officers and for teachers' wages and all claims, to be countersigned by the chairman. Such orders shall state the consideration, payee, and the fund and the clerk shall take a receipt therefor. Teachers' wages shall have preference in the order in which they become due, and no money applicable for teachers' wages shall be used for any other purpose, nor shall teachers' wages be paid from any fund except that raised or apportioned for that purpose.

Sec. 18. Minnesota Statutes 1976, Section 123.37, Subdivision 1b, is amended to read:

Subd. 1b. Notwithstanding the provisions of subdivision 1 or section 471.345, a contract for the transportation of school children may be made by direct negotiation, by obtaining two or more written quotations for the service when possible, or upon sealed bids. At least 30 days before awarding a directly negotiated contract, the school district shall, by published notice, request quotations for the service to be provided. All quotations obtained shall be kept on file for a period of at least one year after receipt

thereof. If a contract is made by direct negotiation, negotiations shall be open to the public. If a contract is made upon sealed bids, the procedure for advertising and awarding bids shall conform to the provisions of subdivision 1 *except as otherwise provided in this subdivision.*

Notwithstanding the provisions of subdivision 1 or section 574.26, a performance bond shall be required of a contractor on a contract for the transportation of school children only when deemed necessary by and at the discretion of the school board.

Sec. 19. Minnesota Statutes 1976, Section 123.37, Subdivision 3, is amended to read:

Subd. 3. Any contract made by the board for the rental of rooms or buildings for school purposes ; ~~or for the free transportation of pupils to and from school,~~ or for the rental of any facility or facilities owned or operated by or under the direction of any private organization, shall be effective until disapproved by the commissioner, and all such contracts shall be submitted to him for approval immediately after being signed by the parties.

Sec. 20. Minnesota Statutes 1976, Section 123.37, Subdivision 4, is amended to read:

Subd. 4. The commissioner shall approve each such contract unless it appears from the information available to him that:

(a) The amount to be paid by the district concerned for the rooms or facilities rented ~~or for the transportation to be furnished~~ under such contract substantially exceeds the reasonable value thereof; or

(b) The rooms or facilities to be furnished are not reasonably required for or suitable to the operation of the schools of the district ; ~~or the transportation contracted for is not suitable to the requirements of the district;~~ or the contract does not provide adequately against any encroachment on or interference with the conduct of a public school; or

(c) The contract does not conform to law or a duly promulgated regulation of general application of the state board of education.

Sec. 21. Minnesota Statutes 1976, Section 123.39, is amended by adding a subdivision to read:

Subd. 8a. Notwithstanding the provisions of section 221.021, any public school district or school bus contractor providing transportation services to a school district on a regular basis in this state may operate school buses, excluding motor coach buses, for the purpose of providing transportation to nonpupils of the school district attending school events, as defined in sections 123.38, subdivision 2a or 2b, provided that no person having a charter carrier permit has his principal office and place of business or bus terminal or garage within 25 miles of the principal office of the school district. School district owned buses and the operators thereof shall otherwise comply with the provisions of sections 123.18 and 123.39 and the rules of the state board of education and shall be

insured in at least the amounts stated in section 466.04, subdivision 1. In all cases the total cost of providing such services, as determined by sound accounting procedures, shall be paid by charges made against those using the buses.

Sec. 22. Minnesota Statutes 1976, Section 123.39, is amended by adding a subdivision to read:

Subd. 8b. School districts may use school district owned or contractor operated school buses to provide transportation along regular school bus routes on a space available basis for senior citizens who are 62 years of age or older, provided that this use of a bus does not interfere with the transportation of pupils to and from school or other authorized transportation of pupils. In all cases, the total excess cost of providing these services, as determined by sound accounting procedures, shall be paid by charges made against those using these services or some third party payor. In no case shall the cost of this transportation be paid by the school district.

The provisions of section 658.47, subdivision 4, shall be applicable to senior citizens being transported pursuant to this subdivision.

Sec. 23. Minnesota Statutes 1976, Section 124.15, Subdivision 2, is amended to read:

Subd. 2. Whenever the board of the district authorizes or permits within the district violations of law by:

(1) employment in a public school of the district of a teacher who does not hold a valid teaching certificate or permit, or

(2) noncompliance with a mandatory rule or regulation of general application promulgated by the state board in accordance with statute in the absence of special circumstances making enforcement thereof inequitable, contrary to the best interest of, or imposing an extraordinary hardship on, the district affected, or

(3) continued performance by the district of a contract made for the rental of rooms or buildings for school purposes, or for the free transportation of children to and from school or for the rental of any facility owned or operated by or under the direction of any private organization, which contract has been disapproved where time for review of the determination of disapproval has expired and no proceeding for review is pending, or

(4) any practice which is a violation of sections 1 and 2 of article 13 of the Constitution of the state of Minnesota, or

(5) failure to provide reasonably for the school attendance to which a resident pupil is entitled under Minnesota Statutes, or

(6) noncompliance with state laws prohibiting discrimination because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance or disability, as defined in Minnesota Statutes 1974, Section 363.03, the special state aid to which a district is otherwise entitled for any

school year shall be reduced in the amount and upon the procedure provided in this section or in the case of the violation stated in clause (1), upon the procedure provided in section 124.19, subdivision 3.

Sec. 24. Minnesota Statutes 1976, Section 124.15, Subdivision 6, is amended to read:

Subd. 6. Reductions in special aid under this section shall be from foundation program aid. If there is not sufficient foundation program aid remaining to be paid for the school year in which the violation occurred, the reduction shall be from the other special aids payable to the district for that year in the order in which special state aids are listed in this code. If the violation is for performance of a contract for transportation, which has been disapproved, the primary reduction shall be from transportation aid. If reduction is for several violations one of which is continued performance of such a contract, the transportation aid will be the primary fund for reduction in the proportion that the violation for performance of such a contract bears to the total number of violations involved. If there is not a sufficient amount of special state aids remaining payable to the district for the school year in which the violation occurred to permit the full amount of reduction required, that part of the required reduction not taken from that school year's aids will be taken from the special state aids payable to the district for the next school year, and the reduction will be made from the various aids payable for the next year in the order above specified.

Sec. 25. Minnesota Statutes, 1977 Supplement, Section 124.17, Subdivision 1, is amended to read:

124.17 [DEFINITION OF PUPIL UNITS.] Subdivision 1. Pupil units for each resident pupil in average daily membership shall be counted as follows:

(1) In an elementary school, for kindergarten and for handicapped pre-kindergarten pupils as defined in section 120.03, and enrolled in one-half day sessions throughout the school year or the equivalent thereof, approved by the commissioner of education, one-half pupil unit and other elementary pupils, one pupil unit.

(2) In secondary schools, one and four-tenths pupil units. Pupils enrolled in the seventh and eighth grades of any school shall be counted as secondary pupils.

(4) To meet the problems of educational overburden caused by broken homes, poverty and low income, each pupil in clauses (1) and (2) from families receiving aid to families with dependent children or its successor program who is enrolled in the school district on October 1 shall be counted as an additional five-tenths pupil unit. By March 1 of each year the department of public welfare shall certify to the department of education, and to each school district to the extent the information pertains to it, that information concerning children from families with

dependent children who were enrolled in the school district on the preceding October 1 which is necessary to calculate pupil units. Additional aids to a district for such pupils may be distributed on a delayed basis until the department of education publicly certifies that the information needed for paying such aids is available on such a timely basis that such aids may be paid concurrently with other foundation aids.

(5) In every district where the number of pupils from families receiving aid to families with dependent children or its successor program exceeds five percent of the total actual pupil units in the district for the same year, as computed in clauses (1) and (2), each such pupil shall be counted as an additional one-tenth of a pupil unit for each percent of concentration over five percent of such pupils in the district. The percent of concentration shall be rounded down to the nearest whole percent for purposes of this clause, provided that in districts where the percent of concentration is less than six, no additional pupil units shall be counted under this clause for pupils from families receiving aid to dependent children or its successor program and provided further that no such pupil shall be counted as more than one and ~~one-tenth~~ *fifteen one-hundredths* additional pupil units pursuant to clauses (4) and (5). Such weighting shall be in addition to the weighting provided in clauses (1), (2), (3), and (4). School districts are encouraged to allocate a major portion of the aids that they receive on account of clauses (4) and (5) to primary grade programs and services, particularly to programs and services that involve participation of parents. Each district receiving aids on account of both clauses (4) and (5) shall establish and maintain accounts separate from all other district accounts for the receipt and disbursement of all such aids received.

(6) Where the total pupil units of a district are used as a multiplier in determining foundation aids and spending and levy limitations and where the actual number of pupil units has decreased from the prior year, the number of pupil units shall equal the greater of (a) the average of actual pupil units in the district for the two prior years and the current year or (b) the number of actual pupil units for the current year increased by .6 times the difference between the actual pupil units for the prior year and the current year. Only pupil units as computed in clauses (1) and (2) shall be included for purposes of computations made pursuant to this clause.

(7) In districts maintaining classified secondary schools where the actual number of pupil units has increased from the prior year by two percent or more, the additional pupil units over the prior year, as computed in clauses (1) and (2), shall be multiplied times one-tenth for each percent of increase over the prior year and a number of pupil units equal to the product shall be added to the other units for the district. The percent of increase shall be rounded up to the next whole percent for purposes of this clause, provided that in districts where the percent of increase is less than two, no additional pupil units shall be added

to the other units for the district and provided further that the number of pupil units of increase over the prior year shall under no circumstances be multiplied by more than five-tenths.

(8) Only pupil units in clauses (1) and (2) shall be used in computing adjusted maintenance cost per pupil unit.

Sec. 26. Minnesota Statutes 1976, Section 124.17, is amended by adding a subdivision to read:

Subd. 2c. Notwithstanding the provisions of subdivision 2, in any case where pupils are prevented from attending school for more than 15 consecutive days because of epidemic, calamity, weather, fuel shortage, or other justifiable cause, the state board, upon application, may allow the district to continue to count these pupils in average daily membership.

Sec. 27. Minnesota Statutes, 1977 Supplement, Section 124.212, Subdivision 5a, is amended to read:

Subd. 5a. (1) In the 1977-1978 school year and each school year thereafter, the amount of money apportioned to a school district ~~in~~ for that year pursuant to section 124.10, subdivision 2 which exceeds the amount apportioned to that district pursuant to section 124.10, subdivision 2 ~~in~~ for the 1976-1977 school year, shall be deducted from the foundation aid earned by that district for the same year.

(2) In addition to the deduction in clause (1), the following amounts apportioned pursuant to section 124.10, subdivision 2 shall be deducted from foundation aid ~~in~~ for the school years designated:

(a) In the 1977-1978 school year, one-sixth of the amount apportioned, but not to exceed one-sixth of the amount apportioned ~~in~~ for the 1976-1977 school year;

(b) In the 1978-1979 school year, one-third of the amount apportioned, but not to exceed one-third of the amount apportioned ~~in~~ for the 1976-1977 school year;

(c) In the 1979-1980 school year, one-half of the amount apportioned, but not to exceed one-half of the amount apportioned ~~in~~ for the 1976-1977 school year;

(d) In the 1980-1981 school year, two-thirds of the amount apportioned, but not to exceed two-thirds of the amount apportioned ~~in~~ for the 1976-1977 school year; and

(e) In the 1981-1982 school year, five-sixths of the amount apportioned, but not to exceed five-sixths of the amount apportioned ~~in~~ for the 1976-1977 school year.

(3) In the 1982-1983 school year and each school year thereafter, the entire amount of money apportioned to a school district ~~in~~ for that year pursuant to section 124.10, subdivision 2, shall be deducted from the foundation aid earned by that district for the same year.

Sec. 28. Minnesota Statutes, 1977 Supplement, Section 124.212, Subdivision 8a, is amended to read:

Subd. 8a. (1) Notwithstanding any provisions of any other law to the contrary, the adjusted assessed valuation used in calculating foundation aid shall include only that property which is currently taxable in the district. For districts which received payments under sections 124.215, subdivision 2a, 124.25; 124.28; 124.30; 473.633 and 473.635; the foundation aid shall be reduced by: The previous year's payment to the district pursuant to said sections times the ratio of the maximum levy allowed the district under section 275.125, subdivision 2a, to the total levy allowed by section 275.125, but not to exceed 50 percent of the previous year's payment.

(2) For districts which received payments under sections 294.21 to 294.28; 298.23 to 298.28; 298.32; 298.34 to 298.39; 298.391 to 298.396; 298.405, 298.51 to 298.67; any law imposing a tax upon severed mineral values, or under any other law distributing proceeds in lieu of ad valorem tax assessments on copper or nickel properties; the foundation aid shall be reduced in the October adjustment payment by the previous fiscal year's payment to the district pursuant to said sections times the ratio of the maximum levy allowed the district under section 275.125, subdivision 2a, to the total levy allowed by section 275.125 for collection in the calendar year ending during the aforementioned fiscal year, but not to exceed 50 percent of the previous fiscal year's payment *difference between the dollar amount of the payments received pursuant to those sections in the fiscal year to which the October adjustment is attributable and the amount which was calculated, pursuant to section 275.125, subdivision 9, as a reduction of the levy attributable to the fiscal year to which the October adjustment is attributable.* If the October adjustment of a district's foundation aid for a fiscal year is a negative amount because of this clause, the next fiscal year's foundation aid to that district shall be reduced by this negative amount in the following manner: *there shall be withheld from each monthly scheduled foundation aid payment due the district in such fiscal year, 15 percent of the total negative amount, until the total negative amount has been withheld.* The amount reduced from foundation aid pursuant to this clause shall be recognized as revenue in the fiscal year to which the October adjustment payment is attributable.

Sec. 29. Minnesota Statutes 1976, Section 124.212, Subdivision 20, is amended to read:

Subd. 20. No adjustments to foundation aid payments resulting from omissions in school district reports, except those adjustments determined by the legislative auditor, shall be made for any school year after December 15 of the next school year. Any school district educating children who are residents of another school district shall notify the district of residence within 60 days of the date the child is determined by the district to be a nonresident, but not later than October 1 following the end of the school year in which the child is educated. If the district of residence does not receive a

notification from the providing district pursuant to this subdivision, it shall not be liable to that district for any tuition billing received after October 1 of the next school year. *If a commissioner of a state agency, or his representative or agent, or a court of the state of Minnesota desires to place a child in a school district which is not his district of residence, that commissioner or court shall, prior to placement, notify the district of attendance, the district of residence, and the commissioner of education of its intention.*

Sec. 30. Minnesota Statutes, 1977 Supplement, Section 124.214, is amended to read:

124.214 [AID ADJUSTMENTS.] *Subdivision 1. [OMISSIONS.] No adjustments to any aid payments made pursuant to this chapter, resulting from omissions in school district reports, except those adjustments determined by the legislative auditor, shall be made for any school year after December 15 of the next school year, unless otherwise specifically provided by law.*

Subd. 2. [ABATEMENTS.] Whenever by virtue of chapter 278, sections 270.07, 375.192, or otherwise, the assessed valuation of any school district for any taxable year is reduced after the taxes for that year have been spread by the county auditor and whenever the mill rate as determined by the county auditor based upon the original assessed valuation is applied upon such reduced valuations and produces an amount at least \$1,000 less than the full amount of taxes as actually levied and certified for such taxable year upon the original assessed valuation, that school district may, prior to May 1 of 1978 or February 1 of any year thereafter, certify to the department of revenue the amount of the assessed valuation that was reduced and the amount of the resulting loss of revenue to the school district. Prior to June 1 of 1978 or April 1 of any year thereafter, the equalization aid review committee shall recalculate the adjusted assessed valuation of the taxable property in that district and certify this new valuation to the commissioner of education. The commissioner shall recompute the foundation aid, transportation aid, capital expenditure equalization aid, and post-secondary vocational foundation aid of that district on the basis of the recalculated adjusted assessed valuation. Payment adjustments to the district shall be made as soon as possible, but not later than October 31 of the following fiscal year.

Sec. 31. Minnesota Statutes 1976, Section 124.222, is amended by adding a subdivision to read:

Subd. 2b. For the 1978-1979 school year and thereafter, the state shall pay 50 percent of the cost of the transportation authorized pursuant to section 124.223, clause (9), but not to exceed a cost of \$100 per pupil. Transportation which receives aid pursuant to this subdivision shall not also receive aid pursuant to subdivisions 1a, 1b or 2a.

Sec. 32. Minnesota Statutes, 1977 Supplement, Section 124.222, Subdivision 6, is amended to read:

Subd. 6. [BASE COST ADJUSTMENTS.] For the purposes

of payment of transportation aids in the 1978 fiscal year and thereafter, the commissioner of education may adjust the base cost per eligible pupil transported during the 1976 fiscal year to reflect changes in costs resulting from the following:

(a) Alterations in school district boundaries if application is made prior to December 15 of the school year following the year in which the alterations are made;

(b) Omissions in school district reports if application is made prior to December 15, 1977;

(c) The addition by the district of an authorized transportation aid category if that category of transportation was not provided during the 1976 fiscal year if application is made prior to December 15 of the school year following the year in which the additional transportation is provided;

(d) Omissions in school district reports determined by the legislative auditor;

(e) Increased costs resulting from changes in transportation patterns required by a schoolhouse closing provided that (1) the cost increases can be demonstrated to be a direct result of the closing; (2) the increases result in costs above the formula limitation; and (3) application is made prior to December 15 of the school year following the last school year in which the schoolhouse is open ;

(f) Increased costs resulting from changes in transportation patterns caused by a schoolhouse opening provided that (1) the cost increases can be demonstrated to be a direct result of the opening; (2) the increases result in costs above the formula limitation; and (3) application is made prior to December 15, 1978 or December 15 of the school year following the first school year in which the schoolhouse is open, whichever is later

In the 1978 fiscal year and thereafter, the commissioner shall appropriately adjust the base cost per eligible pupil transported during the 1976 fiscal year to reflect changes in the treatment of depreciation and qualification for depreciation aid resulting from changes in school bus fleet ownership from district owned and managed to privately owned and contracted or from privately owned and contracted to district owned and managed. Districts shall report any such changes to the commissioner within 60 days of the date the changes are made.

Prior to making any base cost change pursuant to this subdivision, the department shall examine the appropriate factors that relate to the determination of the authorized transportation costs and aid for that district.

Sec. 33. Minnesota Statutes, 1977 Supplement, Section 124.223, is amended to read:

124.223 [TRANSPORTATION AID AUTHORIZATION.] For the 1977-1978 school year and thereafter, school transportation

and related services for which state transportation aid is authorized are:

(1) Transportation or board of resident pupils who reside one mile or more from the public schools which they could attend, or transportation to, from, or between the schools they attend pursuant to a program approved by the commissioner of education, or who reside one mile or more from a private school actually attended, but only to the extent permitted by sections 123.76 to 123.79 with respect to private school pupils;

(2) Transportation to and from or board and lodging in another district, of resident pupils of a district without a secondary school; the pupils may attend a classified secondary school in another district and shall receive board and lodging in or transportation to and from a district having a classified secondary school at the expense of the district of the pupil's residence;

(3) Transportation to and from a state board approved secondary vocational center for secondary vocational classes for resident pupils of any of the districts who are members of or participating in programs at that center;

(4) Transportation or board and lodging of a handicapped pupil when that pupil cannot be transported on a regular school bus, and the conveying of handicapped pupils between home and school and within the school plant;

(5) When necessary, board and lodging for nonresident handicapped pupils in a district maintaining special classes;

(6) Transportation from one educational facility to another within the district for resident pupils enrolled on a shared time basis in educational programs approved by the commissioner of education;

(7) Transportation for residents to and from the Minnesota school for the deaf or the Minnesota braille and sight-saving school;

(8) Services described in clauses (1) to (7) when provided in conjunction with a state board approved summer school program; and

(9) Transportation to, from or between educational facilities located in any of two or more school districts jointly offering academic classes approved by the commissioner for resident pupils of any of these districts, if this transportation is provided in conjunction with transportation of resident pupils to a state board approved secondary vocational center.

Sec. 34. Minnesota Statutes 1976, Chapter 124, is amended by adding a section to read:

[124.311] [TRAVEL AID.] *Subdivision 1. In the 1978-1979 school year and thereafter, the state shall pay to any school district, combination or association of school districts, educational cooperative service unit or cooperative center 50 percent of the*

costs of necessary travel within the state incurred for accompanying students on an educational project by any teacher, instructor, counselor, advisor, specialist, consultant, nurse, librarian, assistant principal, principal, assistant superintendent, assistant deputy superintendent, deputy superintendent, superintendent, assistant supervisor, supervisor, assistant director, director, executive director, assistant coach, coach, administrator, or any other professional personnel required to hold a license. The governing board of each unit shall determine if the travel is incurred for a valid education purpose.

Subd. 2. The state shall pay each unit specified in subdivision 1 30 percent of its estimated travel aid on or before the following dates: August 31, December 31, and March 31. The final aid distribution shall be made on or before October 31 of the following school year. All travel aids shall be computed and distributed by the state aids section of the state department of education.

Subd. 3. A district which receives travel aid pursuant to this section shall not receive aid for that same travel pursuant to section 124.573 or 124.574

Sec. 35. Minnesota Statutes, 1977 Supplement, Section 124.32, Subdivision 1b, is amended to read:

Subd. 1b. (1) For special instruction or training and services provided for any pupil pursuant to section 120.17, subdivision 2, clause (h), by contract with public, private or voluntary agencies other than Minnesota school districts, the state shall pay each district 60 percent of the difference between the amount of the contract and the foundation aid formula allowance of the district for that pupil or a pro rata portion of the foundation aid formula allowance for pupils who receive services by contract on less than a full time basis.

(2) For special instruction or training and services provided for a pupil by such a contract as part of a summer school program, the state shall pay each district 60 percent of the difference between the amount of the contract and the foundation aid received by the district for that pupil pursuant to section 124.20, or a pro rata portion of that foundation aid for a pupil who receives services by such a contract on less than a full time summer school basis. This clause shall be effective for the 1977 summer school and thereafter.

Sec. 36. Minnesota Statutes, 1977 Supplement, Section 124.32, Subdivision 5, is amended to read:

Subd. 5. When a handicapped child is placed in a residential facility approved by the commissioner and established primarily to serve handicapped children and when the child's educational program is approved by the commissioner, the state shall pay to the resident district not to exceed 60 percent of the difference between the instructional costs charged to the resident district, less and the foundation aid formula allowance in the resident district, for each handicapped child placed in a residential facility. Not more than \$500,000 \$550,000 for 1977-1978 and \$600,000 for 1978-1979

shall be paid for the purposes of this subdivision. If that amount does not suffice, the aid shall be prorated among all qualifying districts.

The following types of facilities may be approved by the commissioner:

(a) A residential facility operated by *the state or a public school district* and designed to serve the low incidence handicapped, the multiple handicapped, or the most severely handicapped children, *either within or outside of the state, or, a state residential school outside of the state.*

(b) A private, nonsectarian residential facility designed to provide educational services for handicapped children *either within or outside of the state.*

(c) A state hospital or private nonsectarian residential center designed to provide care and treatment for handicapped children.

Sec. 37. Minnesota Statutes, 1977 Supplement, Section 124.32, Subdivision 7, is amended to read:

Subd. 7. Before May 1 of each year, each district providing special instruction and services to handicapped children shall submit to the commissioner an application for approval of these programs and their budgets for the next school year. The application shall include an enumeration of the costs proposed as eligible for state aid pursuant to this section and of the estimated number and grade level of handicapped children in the district who will receive special instruction and services during the next school year. The application shall also include any other information deemed necessary by the commissioner for the calculation of state aid and for the evaluation of the necessity of the program, the necessity of the personnel to be employed in the program, *the necessity of state aids for the conduct of the program*, and the program's compliance with the rules and standards of the state board. The commissioner shall review each application in order to determine whether the program and the personnel to be employed in the program are actually necessary and essential to meet the district's obligation to provide special instruction and services to handicapped children pursuant to section 120.17. The commissioner shall not approve aid pursuant to this section for any program or for the salary of any personnel he determines to be unnecessary or unessential on the basis of this review. *The commissioner may also disapprove all or any portion of the aid for programs funded by any sources of public funds other than state foundation aid and school district levy receipts.* On or before July 1 of each year, the commissioner shall approve, disapprove or modify each application, and notify each applying district of his action and of the estimated amount of aid for the programs. The commissioner shall provide procedures for districts to submit additional applications for program and budget approval during the school year, for programs needed to meet any substantial changes in the needs of handicapped children in the district.

Sec. 38. Minnesota Statutes, 1977 Supplement, Section 124.562, Subdivision 1, is amended to read:

124.562 [POST-SECONDARY VOCATIONAL FOUNDATION AID.] Subdivision 1. A district shall receive post-secondary vocational foundation aid in the amount of \$2,120 for fiscal year 1978 and \$2,240 for fiscal year 1979, times the number of post-secondary vocational-technical pupils in average daily membership, as defined in subdivision 2, less the sum of (1) any amounts received as tuition and fees for post-secondary vocational-technical pupils, *including application fees but not including student activity fees allowed pursuant to section 121.216*, (2) the amount raised by the ~~minimum~~ *discretionary levy required allowed* by section 275.125, subdivision 13, for collection in the calendar year ending in that fiscal year, and (3) any amounts received for post-secondary vocational programs as federal vocational categorical aid and as special grants from state allocations of federal vocational funds, unless these grants are used to fund additional services beyond the normal program.

Sec. 39. Minnesota Statutes, 1977 Supplement, Section 124.563, Subdivision 1, is amended to read:

124.563 [POST-SECONDARY VOCATIONAL CATEGORICAL AND CAPITAL EXPENDITURE AID.] Subdivision 1. "Post-secondary vocational categorical aid" means all state and federal funds, exclusive of post-secondary vocational foundation, capital expenditure and debt service aid, apportioned by the state board for vocational education to local school districts for the purpose of assisting in the conduct of post-secondary vocational-technical training. ~~No district shall qualify for post-secondary vocational categorical aid unless it has certified the minimum levy required by section 275.125, subdivision 13.~~ This aid shall be given to districts conducting high cost programs which require funds in addition to the post-secondary vocational foundation aid provided, including vocational education programs for handicapped or disadvantaged persons and support services necessary to provide vocational education in the least restrictive setting possible. Post-secondary vocational categorical aid shall not be allocated by the state board or expended by a district for any of the purposes for which post-secondary vocational capital expenditure aid is allocated or expended.

Sec. 40. Minnesota Statutes 1976, Section 124.563, Subdivision 2, is amended to read:

Subd. 2. "Post-secondary vocational capital expenditure aid" means state and federal funds exclusive of post-secondary vocational foundation, categorical and debt service aid, apportioned by the state board for vocational education to local school districts for the purpose of improving or repairing school sites or equipping, re-equipping, repairing or improving buildings and permanent attached fixtures, as necessary for the conduct of post-secondary vocational-technical training. ~~No district shall qualify for post-secondary vocational capital expenditure aid unless it has certified the minimum levy required by section 275.125, subdivision 13.~~

Post-secondary vocational capital expenditure aid shall be utilized solely for the purposes enumerated in this subdivision.

Sec. 41. Minnesota Statutes 1976, Section 124.565, is amended by adding a subdivision to read:

Subd. 6. Notwithstanding the provisions of subdivisions 3 and 5 of this section, there shall be no charge for tuition at a post-secondary vocational-technical school for any person who (1) entered active military service in any branch of the armed forces of the United States before July 1, 1977, (2) was a Minnesota resident at the time of induction into the armed forces and had been a Minnesota resident during the six months immediately preceding induction, (3) is separated or discharged from active military service under conditions other than dishonorable prior to July 1, 1981, and (4) applies for admission to the school before his 29th birthday. Time after separation or discharge from military service spent as an inpatient in a hospital or similar institution for treatment of an illness or disability or in recovery from an illness or disability that prevents gainful occupation or study shall be added to the time allowed for application.

Sec. 42. Minnesota Statutes, 1977 Supplement, Section 124.572, Subdivision 3, is amended to read:

Subd. 3. This aid shall be paid only for services rendered or for travel costs incurred in adult vocational education programs approved by the state department of education and operated in accordance with rules promulgated by the state board; provided, in 1977-1978 the department may pay this aid for programs operated in accordance with the state plan for vocational education and current state board rules. By 1978-1979, these rules shall provide minimum student-staff ratios required for an adult vocational education program to qualify for this aid. ~~Except as provided in section 125.185, subdivision 4,~~ By 1978-1979, rules relating to adult vocational education programs shall not incorporate the provisions of the state plan for vocational education by reference.

Sec. 43. Minnesota Statutes, 1977 Supplement, Section 124.573, Subdivision 2, is amended to read:

Subd. 2. In the 1978-1979 school year and thereafter, the state shall pay to any district or cooperative center 50 percent of the salaries paid to essential, licensed personnel in that school year for services rendered in that district's or center's secondary vocational education programs. In addition, the state shall pay 50 percent of the costs of necessary equipment for these programs and 50 percent of the costs of necessary travel between instructional sites by secondary vocational education teachers. *Aid shall be allowed for travel to and from local, regional, district or state vocational student organization meetings by secondary vocational education teachers accompanying student members of that organization on an educational project.* The aid paid by the state for salaries, equipment and travel pursuant to this subdivision shall be reduced by any authorized federal vocational aid funds paid by the department to that district or center for secondary vocational education programs.

Sec. 44. Minnesota Statutes, 1977 Supplement, Section 124.573, Subdivision 3, is amended to read:

Subd. 3. This aid shall be paid only for services rendered or for the costs designated in subdivision 2 which are incurred in secondary vocational education programs approved by the state department of education and operated in accordance with rules promulgated by the state board. These rules shall provide minimum student-staff ratios required for a secondary vocational education program in a cooperative center to qualify for this aid, but shall not require any minimum number of program offerings or administrative staff, *any minimum period of coordination time or extended employment for secondary vocational education personnel,* or the availability of vocational student activities or organizations for a secondary vocational education program to qualify for this aid. The requirement in these rules that program components be available for a minimum number of hours shall not be construed to prevent pupils from enrolling in secondary vocational education courses on an exploratory basis for less than a full school year. *No rules promulgated by the state board pursuant to any statute shall require a district to offer secondary vocational education.* ~~Except as provided in section 125.185, subdivision 4,~~ Rules relating to secondary vocational education programs shall not incorporate the provisions of the state plan for vocational education by reference. This aid shall be paid only for services rendered and for travel costs incurred by essential, licensed personnel who meet the work experience requirements for licensure pursuant to the state plan for vocational education.

Sec. 45. Minnesota Statutes, 1977 Supplement, Section 124.573, is amended by adding a subdivision to read:

Subd. 3a. In addition to the provisions of subdivisions 2 and 3 of this section, a school district or cooperative center may contract with a public or private agency other than a Minnesota school district or cooperative center for the provision of secondary vocational education services. In the 1978-1979 school year and thereafter, the state shall pay each district or cooperative center 40 percent of the amount of a contract entered into pursuant to this subdivision. The state board shall promulgate rules relating to program approval procedures and criteria for these contracts and aid shall be paid only for contracts approved by the commissioner of education. For the purposes of subdivision 4, the district or cooperative center contracting for these services shall be construed to be providing the services. For the purposes of subdivision 5, aid for these contracts shall be distributed on the same basis as aids for salaries and travel.

Sec. 46. Minnesota Statutes 1976, Chapter 124, is amended by adding a section to read:

[124.574] [SECONDARY VOCATIONAL EDUCATION FOR HANDICAPPED CHILDREN.] *Subdivision 1. The purpose of this section is to provide a method to fund programs for secondary vocational education for handicapped children which would otherwise qualify for aid under the provisions of sections 124.32*

or 124.573. As used in this section, the term "handicapped children" shall have the meaning ascribed to it in section 120.03.

Subd. 2. In the 1978-1979 school year and thereafter, the state shall pay to any district or cooperative center the greater of:

(a) 50 percent of the salaries paid to essential licensed personnel in that school year for services rendered in that district's or center's secondary vocational education programs for handicapped children; or

(b) 65 percent of the salaries paid to essential licensed personnel in that school year for services rendered in that district's or center's secondary vocational education programs for handicapped children, but not to exceed \$12,000 for the normal school year for each such full time person employed; or a pro rata amount for a part time person or a person employed for a limited time; plus an additional five percent of the salaries paid such essential licensed personnel.

Subd. 3. In addition to the provisions of subdivision 2, the state shall pay:

(a) 50 percent of the costs of necessary equipment for these secondary vocational education programs for handicapped children;

(b) 50 percent of the costs of necessary travel between instructional sites by secondary vocational educational teachers of handicapped children, including travel by those teachers to and from local, regional, district or state vocational student organization meetings when accompanying student members of that organization on an educational project; and

(c) 50 percent of the costs of necessary supplies for these secondary vocational education programs for handicapped children, but not to exceed an average of \$50 in any one school year for each handicapped child receiving these services.

Subd. 4. In addition to the provisions of subdivisions 2 and 3 of this section, a school district may contract with a public or private agency other than a Minnesota school district or cooperative center for the provision of secondary vocational education programs for handicapped children. The formula for payment of aids for these contracts in the 1978-1979 school year and thereafter shall be that provided in section 124.32, subdivision 1b. The state board shall promulgate rules relating to approval procedures and criteria for these contracts and aid shall be paid only for contracts approved by the commissioner of education. For the purposes of subdivision 6 of this section, the district or cooperative center contracting for these services shall be construed to be providing these services. For the purposes of subdivision 8 of this section, aid for these contracts shall be distributed on the same basis as aids for salaries, supplies and travel.

Subd. 5. The aid provided pursuant to this section shall be paid only for services rendered as designated in subdivision 2 or for

the costs designated in subdivision 3 which are incurred in secondary vocational education programs for handicapped children which are approved by the commissioner of education and operated in accordance with rules promulgated by the state board. These rules shall be subject to the restrictions provided in section 124.573, subdivision 3. The procedure for application for approval of these programs shall be as provided in section 124.32, subdivisions 7 and 10 and the application review process shall be conducted jointly by the division of special and compensatory education and the division of vocational-technical education of the state department.

Subd. 6. All aid pursuant to this section shall be paid to the district or cooperative center providing the services. All aid received by a district or center from any source for secondary vocational education for handicapped children shall be utilized solely for that purpose.

Subd. 7. A district shall not receive aid pursuant to section 124.32 or section 124.573 for salaries, supplies, travel or equipment for which the district receives aid pursuant to this section.

Subd. 8. All aid pursuant to this section shall be distributed at the same times and in the same manner as provided in section 124.573, subdivision 5. Aid for supplies shall be distributed at the same time as aid for salaries and travel.

Sec. 47. Minnesota Statutes 1976, Section 125.12, Subdivision 6a, is amended to read:

Subd. 6a. [NEGOTIATED UNREQUESTED LEAVE OF ABSENCE.] The school board and the exclusive bargaining representative of the teachers may negotiate a plan providing for unrequested leave of absence without pay or fringe benefits for as many teachers as may be necessary because of discontinuance of position, lack of pupils, financial limitations, or merger of classes caused by consolidation of districts. Failing to successfully negotiate such a plan by the beginning date of a new master contract, the provisions of subdivision 6b shall apply. The provisions of section 179.72 shall not apply for the purposes of this subdivision.

Sec. 48. Minnesota Statutes 1976, Section 125.12, Subdivision 6b, is amended to read:

Subd. 6b. [UNREQUESTED LEAVE OF ABSENCE.] The school board may place on unrequested leave of absence, without pay or fringe benefits, as many teachers as may be necessary because of discontinuance of position, lack of pupils, financial limitations, or merger of classes caused by consolidation of districts. The unrequested leave shall be effective at the close of the school year. In placing teachers on unrequested leave, the board shall be governed by the following provisions:

(a) The board may place probationary teachers on unrequested leave first in the inverse order of their employment. No teacher who has acquired continuing contract rights shall be placed on unrequested leave of absence while probationary teachers are retained

in positions for which the teacher who has acquired continuing contract rights is certified;

(b) Teachers who have acquired continuing contract rights shall be placed on unrequested leave of absence in fields in which they are certified in the inverse order in which they were employed by the school district. In the case of merger of classes caused by consolidation of districts or in the case of equal seniority, the order in which teachers who have acquired continuing contract rights shall be placed on unrequested leave of absence in fields in which they are certified shall be negotiable;

(c) Notwithstanding clauses (a) and (b), if either the placing of a probationary teacher on unrequested leave before a teacher who has acquired continuing rights or the placing of a teacher who has acquired continuing contract rights on unrequested leave before another teacher who has acquired continuing contract rights but who has greater seniority would place the district in violation of its affirmative action program, the district may retain the probationary teacher or the teacher with less seniority;

(d) Teachers placed on unrequested leave of absence shall be reinstated to the positions from which they have been given leaves of absence or, if not available, to other available positions in the school district in fields in which they are certified. Reinstatement shall be in the inverse order of placement on leave of absence. The order of reinstatement of teachers who have equal seniority and who are placed on unrequested leave in the same school year shall be negotiable;

(e) Teachers, other than probationary teachers, terminated under Minnesota Statutes 1971, Section 125.12, Subdivision 6, Clause (e), in the 1973-74 school year shall be reinstated to the positions from which they have been terminated or, if not available, to other available positions in the school district in fields in which they are certified. Reinstatement shall be in the order of seniority. The order of reinstatement of continuing contract teachers who have equal seniority and who are terminated under Minnesota Statutes 1971, Section 125.12, Subdivision 6, Clause (e) in the 1973-74 school year shall be negotiable. These teachers shall also be subject to clauses (f), (g), (h), (i) and (k) of this subdivision.

(f) No appointment of a new teacher shall be made while there is available, on unrequested leave, a teacher who is properly certified to fill such vacancy, unless the teacher fails to advise the school board within 30 days of the date of notification that a position is available to him, that he may return to employment and that he will assume the duties of the position to which appointed on a future date determined by the board;

(g) A teacher placed on unrequested leave of absence may engage in teaching or any other occupation during the period of this leave;

(h) The unrequested leave of absence shall not impair the

continuing contract rights of a teacher or result in a loss of credit for previous years of service;

(i) The unrequested leave of absence of a teacher *who is placed on unrequested leave of absence prior to January 1, 1978 and who is not reinstated shall continue for a period of two years after which the right to reinstatement shall terminate; the unrequested leave of absence of a teacher who is placed on unrequested leave of absence on or after January 1, 1978 and who is not reinstated shall continue for a period of five years, provided the teacher files with the board by April 1 each year a written statement requesting reinstatement, after which the right to reinstatement shall terminate;*

(j) The same provisions applicable to terminations of probationary or continuing contracts in subdivisions 3 and 4 shall apply to placement on unrequested leave of absence;

(k) Nothing in this subdivision shall be construed to impair the rights of teachers placed on unrequested leave of absence to receive unemployment compensation if otherwise eligible.

Sec. 49. Minnesota Statutes 1976, Section 125.185, Subdivision 4, is amended to read:

Subd. 4. The board shall develop and create rules for the licensure of public school teachers and interns, which shall be submitted to the state board of education for approval, and from time to time the board of teaching shall revise or supplement the rules for licensure of public school teachers subject to approval by the state board of education. It shall be the duty of the board of teaching to establish rules for the approval of teacher education programs subject to approval by the board of education. Subject to rules approved by the board of education, the board of teaching shall also grant licenses to interns and to candidates for original licenses and receive recommendations from local committees as established by the board of teaching for the renewal of teaching licenses, to grant life licenses to those who qualify according to requirements established by the board of teaching, and suspend or revoke licenses pursuant to sections 125.09 and 214.10. With regard to vocational education teachers the board of teaching shall adopt and maintain as its rules the *rules of the state plan board* for vocational education.

In the event the state board of education disapproves any proposal from the board of teaching, it shall give written notice of such disapproval within 60 days after the receipt of the proposal including its reasons. Any proposal disapproved by the state board may be resubmitted by the board of teaching at any time after the expiration of 45 days after the date of disapproval.

Sec. 50. Minnesota Statutes 1976, Section 125.185, is amended by adding a subdivision to read:

Subd. 4a. Prior to the adoption by the board of teaching of any rule which must be submitted to public hearing and to the state board of education for approval, a representative of the commis-

tioner shall appear before the board of teaching and at the hearing required pursuant to section 15.0412, subdivision 4, to comment on the cost and educational implications of that proposed rule. If the representative of the commissioner does not carry out the duties required by this subdivision, the state board of education shall approve that rule of the board of teaching as submitted.

Sec. 51. Minnesota Statutes, 1977 Supplement, Section 125.60, Subdivision 2, is amended to read:

Subd. 2. Upon the request of a teacher who meets the qualifications of this section which is made prior to July 1 for the next school year, the board of any district may shall grant an extended leave of absence without salary to any full time elementary or secondary school teacher who has been employed by the district for at least ten but no more than 20 years of allowable service, as defined in section 354.05, subdivision 13, or the by-laws of the appropriate retirement association, and who has not attained the age of 55 years or over. However, a school district may deny a request for an extended leave of absence if the board determines that the leave would not produce a cost savings to the district or would produce a hardship for the district due to its inability to find an adequate replacement. If a teacher's request is denied, this denial shall be subject to the grievance procedure established pursuant to section 179.70 or pursuant to the grievance procedure specified in the collective bargaining agreement in force in that district. Extended leaves of absence pursuant to this section shall not exceed five years in duration. An extended leave of absence pursuant to this section shall be taken by mutual consent of the board and the teacher and may be granted only once.

Sec. 52. Minnesota Statutes, 1977 Supplement, Section 125.61, Subdivision 1, is amended to read:

125.61 [TEACHER EARLY RETIREMENT INCENTIVE PROGRAM.] Subdivision 1. For purposes of this section, "teacher" means a teacher as defined in section 125.03, subdivision 1, who is employed in the public elementary or secondary schools in the state, who has not less than 15 total years of full time teaching service therein, and who has or will have attained the age of 55 years but less than 65 years as of the end of the school year during which an application for an early retirement incentive is made.

Sec. 53. Minnesota Statutes, 1977 Supplement, Section 125.61, Subdivision 2, is amended to read:

Subd. 2. A teacher meeting the requirements of subdivision 1 may be offered a contract for termination of services and payment of an early retirement incentive by the employing school district. An offer may be accepted by the teacher by submitting a written resignation to the school board of the employing district. Applications shall be submitted prior to July 1, 1977 March 1, 1978 in the case of a teacher retiring at the end of the 1977-76 1976-1977 school year, prior to May 1, 1978 in the case of a teacher retiring at the end of the 1978-79 1977-1978 school year, or, thereafter,

prior to May 1 of the year immediately preceding the school year at the end of which the teacher wishes to retire.

Sec. 54. Minnesota Statutes 1976, Section 126.12, is amended to read:

126.12 [LENGTH OF SCHOOL YEAR.] The school shall be in session for not less than a minimum term, as defined by the state board in section 124.19, but this provision shall not apply to night schools or kindergartens. Every Saturday shall be a school holiday, except that school may be held on Saturday if necessary to meet the requirement in section 124.19 of making a good faith attempt to make up time lost on account of circumstances which were beyond the control of the school board. The school board shall determine the number of school days of each school year on or before April 1 of the calendar year in which such school year commences.

Sec. 55. Minnesota Statutes 1976, Section 127.25, Subdivision 1, is amended to read:

127.25 [APPEALS.] Subdivision 1. Any district or any person aggrieved by final order of the county board or final order of the commissioner, or final order of the county auditor, made pursuant to the provisions of this code, may appeal from such final order to the district court upon the following grounds:

(1) That the county board, the commissioner, or the county auditor had no jurisdiction to act;

(2) That the county board, the commissioner, or the county auditor exceeded its jurisdiction;

(3) That the action appealed from is arbitrary, fraudulent, capricious or oppressive or in unreasonable disregard of the best interest of the territory affected;

(4) That the order of action appealed from is based upon an erroneous theory of law.

An appeal from a final order of a county board or the county auditor shall be taken by serving a notice of appeal upon the county auditor. An appeal from a final order of the commissioner shall be taken by serving a notice of appeal upon the commissioner. An appeal from a final order of a county board or a county auditor shall be taken to the district court in the county of the board or auditor. An appeal from a final order of the commissioner shall be taken to the district court for Ramsey county. Notice of appeal must be served within 30 days of the issuance of the order appealed from and shall be accompanied by a corporate surety bond in the amount of \$250, conditioned for the payment of all costs taxed against appellant on such appeal. The notice of appeal shall be filed with the clerk of the district court and noticed for hearing in the manner provided for the trial of civil actions by Minnesota rules of civil procedure.

Any order of the commissioner or the state board rejecting a consolidation plat shall be deemed a final order for the purposes of

~~this section.~~ In an appeal from an order of a county auditor effecting a consolidation the action of the commissioner or the state board approving the plat is reviewable and the commissioner may be called by either party as a witness in such appeal proceedings and may be examined under the rules of civil procedure relating to the cross-examination of adverse parties.

Sec. 56. Minnesota Statutes 1976, Section 127.25, Subdivision 2, is amended to read:

Subd. 2. Any school district or any person affected by final order of the county board ~~or final order of the commissioner~~ or final order of the county auditor shall be permitted to intervene in appeals under this section as a party respondent.

Sec. 57. Minnesota Statutes 1976, Section 127.25, is amended by adding a subdivision to read:

Subd. 4. Unless otherwise provided by law, any school district or any person aggrieved by a final order of the commissioner made pursuant to provisions of this code may proceed under the provisions of sections 15.0418 to 15.0426.

Sec. 58. Minnesota Statutes 1976, Section 128A.02, is amended by adding a subdivision to read:

Subd. 5. The state board of education may by agreement with teacher preparing institutions or accredited institutions of higher education arrange for practical experience in the Minnesota school for the deaf and the Minnesota braille and sight-saving school for practice or student teachers, or for other students engaged in fields of study which prepare professionals to provide special services to handicapped children in school programs, who have completed not less than two years of an approved program in their respective fields. These student trainees shall be provided with appropriate supervision by a teacher licensed by the board of teaching or by a professional licensed or registered in the appropriate field of special services and shall be deemed employees of the school for the deaf or the braille and sight-saving school, as applicable, for purposes of worker's compensation.

Sec. 59. Minnesota Statutes 1976, Section 128A.03, Subdivision 2, is amended to read:

Subd. 2. Each advisory council shall consist of ~~seven~~ *eight* members. The members shall be representative of the various geographic regions of the state, shall include parents or guardians of visually disabled or hearing impaired children, *shall include a staff representative of the applicable school*, and shall include two representatives from groups representing the interests of visually disabled or hearing impaired individuals, as applicable. All members shall have knowledge, experience and interest in the problems of visually disabled or hearing impaired children.

Sec. 60. Minnesota Statutes 1976, Section 134.03, is amended to read:

134.03 [TAX LEVY.] In cities of less than 2,000 inhabitants not

levying a tax for public library purposes, the school board may maintain a public library for the use of all residents of the district and provide ample and suitable rooms for its use in the school buildings and in any independent school district embracing any such city, where a library building has been erected with funds donated for library purposes, the school district may levy an annual tax of not more than one mill, the proceeds of which tax shall be used for the support and maintenance of this library and known as the "library fund," or the district.

Upon a library being so established in any such school district, whose library building has been erected with funds acquired by gift or donation, the school board is empowered to appoint a library board of nine members, of which each member of the school board shall be a member ex officio.

The remaining members of such library board shall be appointed by the school board, one of which remaining members shall hold office for one year, one for two years, and one for three years *if the school board has only six members*, from the first Saturday of September following their appointment, the term of office of each being specified in such appointment; annually thereafter, such school board shall appoint a member of the library board for the term of three years and until his successor shall qualify. Such school board may remove any member so appointed for misconduct or neglect. Vacancies in such board shall be filled by appointment for the unexpired term. Members of such board shall receive no compensation for their services as such.

Immediately after appointment, such board shall organize by electing one of its members as president and one as secretary and from time to time it may appoint such other officers and employees as it deems necessary. The secretary, before entering upon his duties, shall give bond to the school district in an amount fixed by the library board, conditioned for the faithful discharge of his official duties. The library board shall adopt such bylaws and regulations for the government of the library and reading-room and for the conduct of its business as may be expedient and conformable to law. It shall have exclusive control of the expenditures of all money collected for, or placed to the credit of, the library funds, and of the rooms and buildings provided for library purposes. All moneys received for such library fund shall be kept in the treasury of the school district, credited to the library fund, and be paid out only upon itemized vouchers approved by the library board. The library board may fix the compensation of employees and remove any of them at pleasure.

All books or other property given, granted, conveyed, donated, devised, or bequeathed to, or purchased by, such library shall vest in, and be held in the name of, such school district. Every library and reading-room established hereunder shall be free to the use of the inhabitants of the school district, subject to such reasonable regulations as the directors may adopt.

When so established, no such library shall be abandoned without a two-thirds majority vote of the electors cast at any annual or special school meeting called for the purpose.

When so established, in cases where the building has been erected with funds so donated, no such library shall be abandoned without a two-thirds majority vote of the electors cast at any annual or special school meeting called for the purpose.

Sec. 61. Minnesota Statutes, 1977 Supplement, Section 176.011. Subdivision 9, is amended to read:

Subd. 9. [EMPLOYEE.] "Employee" means any person who performs services for another for hire; and includes the following:

- (1) an alien;
- (2) a minor;
- (3) a sheriff, deputy sheriff, constable, marshal, policeman, fireman, a county highway engineer, and a peace officer while engaged in the enforcement of peace or in and about the pursuit or capture of any person charged with or suspected of crime;
- (4) a county assessor;
- (5) an elected or appointed official of the state, or of any county, city, town, school district or governmental subdivision therein but an officer of a political subdivision elected or appointed for a regular term of office or to complete the unexpired portion of any such regular term, shall be included only after the governing body of the political subdivision has adopted an ordinance or resolution to that effect;
- (6) an executive officer of a corporation except an officer of a family farm corporation as defined in section 500.24, subdivision 1, clause (c);
- (7) a voluntary uncompensated worker, other than an inmate, rendering services in state institutions under the commissioner of public welfare and state institutions under the commissioner of corrections similar to those of officers and employees of such institutions, and whose services have been accepted or contracted for by the commissioner of public welfare or the commissioner of corrections as authorized by law, shall be employees within the meaning of this subdivision. In the event of injury or death of any such voluntary uncompensated worker, the daily wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of such injury or death for similar services in institutions where such services are performed by paid employees;
- (8) a voluntary uncompensated worker engaged in peace time in the civil defense program when ordered to training or other duty by the state or any political subdivision thereof, shall be employees. The daily wage of the worker for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of such injury or death for similar services where such services are performed by paid employees;
- (9) a voluntary uncompensated worker participating in a

program established by a county welfare board shall be an employee within the meaning of this subdivision. In the event of injury or death of any such voluntary uncompensated worker, the wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid in the county at the time of such injury or death for similar services where such services are performed by paid employees working a normal day and week;

(10) a voluntary uncompensated worker accepted by the commissioner of natural resources who is rendering services as a volunteer pursuant to section 85.041 shall be an employee. The daily wage of the worker for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of injury or death for similar services where such services are performed by paid employees.

(11) a member of the military forces, as defined in section 190.05, while in "active service" or "on duty" as defined in section 190.05, when the service or duty is ordered by state authority. The daily wage of the member for the purpose of calculating compensation payable under this chapter shall be based on the member's usual earnings in civil life. If there is no evidence of previous occupation or earning, the trier of fact shall consider the member's earnings as a member of the military forces;

(12) a voluntary uncompensated worker, accepted by the director of the Minnesota historical society, rendering services as a volunteer, pursuant to chapter 138, shall be an employee. The daily wage of the worker, for the purposes of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of injury or death for similar services where such services are performed by paid employees ;

(13) a voluntary uncompensated worker, other than a student, who renders services at the Minnesota school for the deaf, or the Minnesota braille and sight-saving school, and whose services have been accepted or contracted for by the state board of education, as authorized by law, shall be an employee within the meaning of this subdivision. In the event of injury or death of any such voluntary uncompensated worker, the daily wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of such injury or death for similar services in institutions where such services are performed by paid employees.

In the event it is difficult to determine the daily wage as herein provided, then the trier of fact may determine the wage upon which the compensation is payable.

Sec. 62. Minnesota Statutes, 1977 Supplement, Section 275.07, is amended to read:

275.07 [CITY, TOWN AND SCHOOL DISTRICT TAXES.]
Subdivision 1. The taxes voted by cities, towns, and school districts shall be certified by the proper authorities to the county auditor on or before October tenth in each year. If a city, town,

county, school district or special district fails to certify its levy by that date, its levy shall be the amount levied by it for the preceding year. If the local unit notifies the commissioner of revenue before October tenth of its inability to certify its levy by that date, and the commissioner is satisfied that the delay is unavoidable and is not due to the negligence of the local unit's officials or staff, the commissioner shall extend the time within which the local unit shall certify its levy.

Subd. 2. In school districts lying in more than one county, the clerk shall certify the tax levied to the auditor of the county in which the administrative offices of the school district are located.

Sec. 63. Minnesota Statutes, 1977 Supplement, Section 275.124, is amended to read:

275.124 [REPORT OF CERTIFIED LEVY.] Prior to March February 1 of each year, each county auditor shall report to the commissioner of education on forms furnished by the commissioner, the amount of the certified levy made by each school district within the county which has taxable property and any other information concerning these levies that is deemed necessary by the commissioner.

Sec. 64. Minnesota Statutes, 1977 Supplement, Section 275.125, Subdivision 2a, is amended to read:

Subd. 2a. (1) In 1977, a school district may levy for all general and special school purposes, an amount equal to the amount raised by 28 mills times the 1976 adjusted assessed valuation of the district.

(2) In 1978, a school district may levy for all general and special school purposes, an amount equal to the amount raised by 27 mills times the 1977 adjusted assessed valuation of the district.

(3) For any district levying less than 95 percent of the maximum levy allowable in clauses (1) and (2), beginning with the levy certified in 1976 1978, payable in 1977 1979, the foundation aid to the district for the 1977-1978 1979-1980 school year, and for subsequent levies, foundation aid for subsequent school years, calculated pursuant to section 124.212, shall be reduced by 50 percent of the to an amount of equal to the difference ratio between the actual levy and the maximum levy allowable under clauses (1) and (2) times the foundation aid to which the district is otherwise entitled for that year. In the application of this clause, the maximum levy allowable under clauses (1) and (2) shall be reduced by any reduction of this levy which is required by section 275.125, subdivision 9 or any other law.

(4) (a) The levy authorized by clauses (1) or (2) may be increased in any amount which is approved by the voters of the district at a referendum called for the purpose. Such a referendum may be called by the school board or shall be called by the school board upon written petition of qualified voters of the district. The referendum shall be held on a date set by the school board. Only one such election may be held to approve a levy increase which

will commence in a specific school year. The question on the ballot shall state the maximum amount of the increased levy in mills, the amount that will be raised by that millage in the first year it is to be levied, and that the millage shall be used to finance school operations. The question may designate a specific number of years for which the referendum authorization shall apply. If approved, the amount provided by the approved millage applied to each year's taxable valuation shall be authorized for certification for the number of years approved, if applicable, or until revoked by the voters of the district at a subsequent referendum.

(b) A referendum on the question of revoking the increased levy amount authorized pursuant to clause (a) of this clause may be called by the school board and shall be called by the school board upon the written petition of qualified voters of the district. The amount approved by the voters of the district pursuant to clause (a) of this clause must be levied at least once before it is subject to a referendum on its revocation for subsequent years. Only one such revocation election may be held to revoke a levy for any specific year and for years thereafter.

(c) A petition authorized by clauses (a) or (b) of this clause shall be effective if signed by a number of qualified voters in excess of 15 percent, or 10 percent if the school board election is held in conjunction with a general election, of the average number of voters at the two most recent district wide school elections. A referendum invoked by petition shall be held within three months of submission of the petition to the school board.

(d) Notwithstanding any law to the contrary, the approval of 50 percent plus one of those voting on the question is required to pass a referendum.

(e) Within 30 days after the district holds a referendum pursuant to this clause, the district shall notify the commissioner of education of the results of the referendum.

Sec. 65. Minnesota Statutes 1976, Section 275.125, is amended by adding a subdivision to read:

Subd. 2b. (1) Beginning in 1978, in any year when the amount of the maximum levy allowed for any district by section 275.125, subdivision 2a, clause (1) or (2), exceeds the product of the district's foundation aid formula allowance under section 124.212 for the corresponding school year times the number of pupil units computed for that district under section 124.17 for that school year, the levy permitted that district by section 275.125, subdivision 2a, clause (1) or (2) shall be limited to 107 percent of the sum of the following, but not to exceed the number of mills permitted under section 275.125, subdivision 2a, clause (1) or (2):

(a) the product of the district's foundation aid formula allowance under section 124.212 for the school year in which the levy is certified times the number of pupil units computed for that district under sections 124.17 for the school year in which the levy is certified; plus the district's estimated aid entitlement pursuant

to section 124.20 for the summer school which begins in the school year in which the levy is certified; plus

(b) that district's entitlement, for the year in which the levy is certified, for transportation aid pursuant to section 124.222, special education aid pursuant to section 124.32, secondary vocational aid pursuant to section 124.573 and secondary vocational aid for handicapped children pursuant to section 124.574.

(2) If a district levies the full 107 percent of its entitlement under clause (1) for a school year and that amount is less than the aid to which the district would actually have been entitled under sections 124.212, 124.20, 124.222, 124.32, 124.573 or 124.574, the district may adjust its levies in the succeeding years to make up this difference. The amount by which the district is allowed to adjust its levies in the succeeding years pursuant to this clause shall be recorded as a receivable in the school year to which the aids are attributable.

(3) If a district levies pursuant to clause (1) for a school year and the amount levied is greater than the aid to which the district would actually have been entitled under sections 124.212, 124.20, 124.222, 124.32, 124.573 or 124.574, the district shall reduce its levies in the succeeding years by the amount of this difference.

(4) However, if the amount of the difference in clause (2), when calculated as an addition to the original levy for that year, would have exceeded the millage limitation in section 275.125, subdivision 2a, clause (1) or (2) in that year, the state shall pay the amount of aid to which the district is entitled for that school year which exceeds the amount attributable to that aid for which it could have levied for that year pursuant to this subdivision.

(5) If the district is unable to levy the full 107 percent of its entitlement for a school year because of the millage limitation in section 275.125, subdivision 2a, clause (1) or (2), the state shall pay the amount of aid under sections 124.212, 124.20, 124.222, 124.32, 124.573 or 124.574 to which the district is entitled for that school year which exceeds the amount attributable to that aid for which it was allowed to levy pursuant to this subdivision.

(6) Prior to the certification of levies, the commissioner of education shall notify an applicable district that it is subject to the levy limitation of this subdivision and of its estimated entitlements pursuant to sections 124.212, 124.20, 124.222, 124.32, 124.573 and 124.574. The commissioner shall decide that a district is subject to this levy limitation if it appears reasonably certain that the maximum levy allowed that district pursuant to section 275.125, subdivision 2a, clause (1) or (2) will exceed the district's foundation aid formula allowance times the number of pupil units computed for that district under section 124.17 for that corresponding year. If, upon the order of the commissioner, the district levies pursuant to this subdivision but the maximum levy allowed that district pursuant to section 275.125, subdivision 2a, clause (1) or (2) would not actually have exceeded the district's foundation aid formula allowance times the number of pupil units computed for that district under section 124.17 for that correspond-

ing year, the district shall reduce its levy for the next year by the amount by which the levy certified pursuant to this subdivision exceeded the amount the district could have levied under subdivision 2a, clause (1) or (2). Also in that case, the district shall receive all aids from the state pursuant to sections 124.212, 124.20, 124.222, 124.32, 124.573 and 124.574 to which it would otherwise have been entitled were it not for the levy certified pursuant to this subdivision.

(7) Nothing within the provisions of this subdivision shall be construed to affect any other levy under section 275.125, including levies made pursuant to section 275.125, subdivision 2a, clause (4), to which a district is otherwise entitled.

(8) A levy made by a district pursuant to the provisions of this subdivision shall be construed to be the levy made by that district pursuant to subdivision 2a, clause (1) and (2) of this section for purposes of statutory cross-reference.

Sec. 66. Minnesota Statutes 1976, Section 275.125, Subdivision 6, is amended to read:

Subd. 6. (1) In 1975 Any district in which the 1970-1971 adjusted maintenance cost per pupil unit in average daily membership was greater than \$663 per pupil unit may levy the greater of (a) an amount per pupil unit which is equal to or less than the difference between the 1970-1971 adjusted maintenance cost per pupil unit in average daily membership and \$663 per pupil unit or (b) if the district counts pupil units pursuant to section 124.17, subdivision 1, clause (6) and has at least two percent fewer pupil units in the year in which the levy is made than in the preceding school year, an amount which is equal to or less than the amount raised by the number of mills levied in 1977 pursuant to this subdivision times the adjusted assessed valuation of the taxable property in the district for the preceding year; provided, however, that the amount which the district may levy pursuant to clause (b) shall not increase in any year to more than the product of the amount raised in the previous year pursuant to this subdivision times the ratio of the foundation aid formula allowance per pupil unit for that district in the year in which the levy is certified divided by the foundation aid formula allowance per pupil unit for that district in the previous year. Provided, however, that a district with boundaries coterminous with the boundaries of a city of the first class which was affected by the limitation of an extra levy not to exceed 1.9 mills times the adjusted assessed valuation of the district shall be allowed to may levy the greater of (a) an amount per pupil unit which is equal to 2.0 mills times the 1974 adjusted assessed valuation of the district, divided by the number of pupil units in the district in 1975-1976 or (b) if the district counts pupil units pursuant to section 124.17, subdivision 1, clause (6) and has at least two percent fewer pupil units in the year in which the levy is made than in the preceding school year, an amount which is equal to or less than the amount raised by the number of mills levied in 1977 pursuant to this subdivision times the adjusted assessed valuation of the taxable property in the

district for the preceding year; provided, however, that the amount which the district may levy pursuant to clause (b) shall not increase in any year to more than the product of the amount raised in the previous year pursuant to this subdivision times the ratio of the foundation aid formula allowance per pupil unit for that district in the year in which the levy is certified divided by the foundation aid formula allowance per pupil unit for that district in the previous year.

As used in this subdivision, the term "foundation aid formula allowance per pupil unit" shall have the same meaning as provided in section 124.32, subdivision 1(a).

(2) In 1976 and each year thereafter, any district which qualified in 1975 for an extra levy under clause (1) shall be allowed to levy the same amount per pupil unit allowed by that clause.

(3) (2) For purposes of computing allowable levies under this subdivision, pupil units shall include only those units identified in section 124.17, subdivision 1, clauses (1), (2), (6) and (7). The provisions of this clause shall not affect or modify any district's 1970-1971 adjusted maintenance cost per pupil unit in average daily membership.

Sec. 67. Minnesota Statutes, 1977 Supplement, Section 275.125, Subdivision 9, is amended to read:

Subd. 9. (1) Districts which receive payments which result in deductions from foundation aid pursuant to section 124.212, subdivision 8a, clause (1), shall reduce the permissible levies authorized by subdivisions 3 to 14 by that portion of the previous year's payment not deducted from foundation aid on account of the payment. The levy reductions shall be made in the proportions that each permissible levy bears to the sum of the permissible levies. Reductions in levies pursuant to this clause, subdivision 10 of this section, and section 273.138, shall be made prior to the reductions in clause (2).

(2) Notwithstanding any other law to the contrary, districts which received payments pursuant to sections 294.21 to 294.28; 298.23 to 298.28; 298.32; 298.34 to 298.39; 298.391 to 298.396; 298.405; 298.51 to 298.67; and any law imposing a tax upon severed mineral values, or under any other law distributing proceeds in lieu of ad valorem tax assessments on copper or nickel properties; shall not include a portion of these aids in their permissible levies pursuant to those sections, but instead shall reduce the permissible levies authorized by this section to be certified in the calendar year in which the deduction from foundation aid is made pursuant to section 124.212, subdivision 8a, by the portion of the previous fiscal year's payment which was not deducted from foundation aid in that calendar year pursuant to section 124.212, subdivision 8a by the greater of the following:

(a) an amount equal to 50 percent of the total dollar amount of the payments received pursuant to those sections in the previous fiscal year; or

(b) an amount equal to the total dollar amount of the payments received pursuant to those sections in the previous fiscal year less the product of the same dollar amount of payments times the ratio of the maximum levy allowed the district under section 275.125, subdivision 2a, to the total levy allowed the district under section 275.125 in the year in which the levy is certified .

(3) No reduction pursuant to this subdivision shall reduce the levy made by the district pursuant to subdivision 2a, clause 1 or 2, to an amount less than the amount raised by a levy of 10 mills times the adjusted assessed valuation of that district for the preceding year as determined by the equalization aid review committee. The amount of any increased levy authorized by referendum pursuant to subdivision 2a, clause (4) shall not be reduced pursuant to this subdivision. The amount of any levy authorized by subdivision 4, to make payments for bonds issued and for interest thereon, shall not be reduced pursuant to this subdivision.

(4) Before computing the reduction pursuant to this subdivision of the capital expenditure levy authorized by section 275.125, subdivision 11a, the commissioner shall ascertain from each affected school district the amount it proposes to levy for capital expenditures pursuant to that subdivision. The reduction of the capital expenditure levy shall be computed on the basis of the amount so ascertained.

(5) Notwithstanding any law to the contrary, any amounts received by districts in any fiscal year after fiscal year 1975 pursuant to sections 294.21 to 294.28; 298.23 to 298.28; 298.34 to 298.39; 298.391 to 298.396; 298.405; 298.51 to 298.67; or any law imposing a tax on severed mineral values, or under any other law distributing proceeds in lieu of ad valorem tax assessments on copper or nickel properties; and not deducted from foundation aid pursuant to section 124.212, subdivision 8a, clause (2), and not applied to reduce levies pursuant to this subdivision shall be paid by the district to the commissioner of finance in the following amounts pursuant to this clause on the designated dates: on or before March 15, 1977, 20 percent of the amounts received in fiscal 1976 and not deducted from foundation aid in August 1976 and not applied to reduce 1976 payable 1977 levies; on or before March 15, 1978, 60 percent of the amounts received in fiscal 1977 and not deducted from foundation aid and not applied to reduce 1977 payable 1978 levies; on or before March 15, 1979 and March 15 of each year thereafter, 100 percent of the amounts received in the preceding fiscal year and not deducted from foundation aid and not applied to reduce levies certified in the preceding October . Any amounts received by districts in any fiscal year after fiscal year 1977 pursuant to the sections specified in this clause shall be paid by the district to the commissioner of finance in the following amounts on the designated dates: on or before March 15, 1979 and March 15 of each year thereafter, 100 percent of the amount required to be subtracted from the previous fiscal year's foundation aid pursuant to section 124.212, subdivision 8a, which is in excess of the foundation aid earned for that fiscal year. The commissioner of finance shall deposit any amounts received pursuant

to this clause in the taconite property tax relief fund in the state treasury, established pursuant to section 16A.70 for purposes of paying the taconite homestead credit as provided in section 273.135.

Sec. 68. Minnesota Statutes, 1977 Supplement, Section 275.125, Subdivision 13, is amended to read:

Subd. 13. Districts maintaining a post-secondary vocational-technical school ~~shall~~ *may* levy for post-secondary vocational-technical purposes as follows:

(1) For districts in cities of the first class, one-half mill, exclusive of debt service, times the adjusted assessed valuation of the taxable property of the district for the preceding year as determined by the equalization aid review committee.

(2) For districts formed pursuant to Laws 1967, Chapter 822, as amended, and Laws 1969, Chapters 775 and 1060 as amended, one-half mill, exclusive of debt service, times the adjusted assessed valuation of the taxable property of the district for the preceding year as determined by the equalization aid review committee.

(3) For other districts maintaining post-secondary vocational schools, one mill, exclusive of debt service, times the adjusted assessed valuation of the taxable property of the district for the preceding year as determined by the equalization aid review committee.

Sec. 69. Minnesota Statutes 1976, Section 275.125, Subdivision 15, is amended to read:

Subd. 15. ~~Any district which in any year levies an amount which is greater than the amount allowed by subdivisions 2a to 14, shall lose an amount of state foundation aid equal to one-half of the excess in the levy. However, if any school district levy is found to be excessive as a result of a decision of the tax court of appeals or a redetermination by the equalization aid review committee under section 124.212, subdivisions 11 to 18 or for any other reason, the amount of the excess shall be deducted from the levy certified in the next year for the same purpose; provided that if no levy is certified in the next year for the same purpose or if the amount certified is less than the amount of the excess, the excess shall be deducted from that levy and the levy certified pursuant to subdivision 2a. The amount of aid lost shall be deducted from the aid which would otherwise have been received for the school year which commences in the calendar year during which the excessive levy is being collected. Any foundation aid so withheld shall be withheld in accordance with the procedures specified in section 124.15. If any aid entitlement pursuant to sections 124.212, 124.222 and 124.245 would have been increased in a prior year as a result of a decision of the tax court of appeals or a redetermination by the equalization aid review committee, the amount of the increase shall be added to the current aid entitlement for the same purposes.~~

Sec. 70. Minnesota Statutes 1976, Section 275.125, Subdivision 16, is amended to read:

Subd. 16. For the purposes of this section, the number of *resident* pupil units in average daily membership shall be computed in accordance with section 124.17, provided that the district may use an estimated average daily membership for the current school year. Any district which increased its pupil units, exclusive of consolidation, or merger of districts, or change of definition of pupil units by more than five percent from one year to another *for two consecutive years* may use an estimated pupil unit count for the next succeeding school year for determining a levy certified in the current year. If as a result of such estimate the levy is different from the amount that could actually have been levied under this section had such levy been based upon the pupil units computed under section 124.17 for that school year, ~~then in that event~~ the authorized levy for the following year shall be adjusted for the difference.

Sec. 71. Minnesota Statutes 1976, Section 275.125, Subdivision 18, is amended to read:

Subd. 18. By November 1 of each year each district shall ~~submit to notify~~ the commissioner of education a ~~certificate~~ of the *levies certified in* compliance with the levy limitations of this section. The commissioner of education shall ~~prescribe the form of this certificate notification~~.

Sec. 72. Minnesota Statutes 1976, Section 275.48, is amended to read:

275.48 [ADDITIONAL TAX LEVIES IN CERTAIN MUNICIPALITIES.] Whenever by virtue of chapter 278, sections 270.07, 375.192, or otherwise, the assessed valuation of any city, township or school district for any taxable year is reduced after the taxes for such year have been spread by the county auditor and whenever the mill rate as determined by the county auditor based upon the original assessed valuation is applied upon such reduced valuations and does not produce the full amount of taxes as actually levied and certified for such taxable year upon the original assessed valuations, such city, township or school district may include in its tax levy made following final determination and notice of such reduction in assessed valuation, an amount equal to the difference between (1) the total amount of taxes actually levied and certified for such taxable year upon the original assessed valuation, not exceeding the maximum amount which could be raised upon such assessed valuation as reduced, within existing mill limitations, if any, and (2) the amount of taxes collected for such taxable year upon such reduced valuations. *However, if a school district receives aid payment adjustments pursuant to section 124.214, subdivision 2, it may only include in its tax levy an amount equal to the difference between (1) the total amount of taxes actually levied and certified for such taxable year upon the original assessed valuation, not exceeding the maximum amount which could be raised upon such assessed valuation as reduced, within existing mill limitations, if any, and (2) an amount equal*

to the amount of taxes collected for such taxable year upon such reduced valuations, plus the amount of any increased aid received by the district as a result of those aid adjustments.

The amount of taxes so included shall be levied separately and shall be levied in addition to all limitations imposed by law; and further shall not result in any penalty in the nature of a reduction in state aid of any kind.

Sec. 73. Minnesota Statutes, 1977 Supplement, Section 298.28, Subdivision 1, is amended to read:

298.28 [DIVISION AND DISTRIBUTION OF PROCEEDS.]
Subdivision 1. The proceeds of the taxes collected under section 298.24, except the tax collected under section 298.24, subdivision 2, shall, upon certificate of the commissioner of revenue to the general fund of the state, be paid by the commissioner of revenue as follows:

(1) 2.5 cents per gross ton of merchantable iron ore concentrate, hereinafter referred to as "taxable ton", to the city or town in which the lands from which taconite was mined or quarried were located or within which the concentrate was produced. If the mining, quarrying, and concentration, or different steps in either thereof are carried on in more than one taxing district, the commissioner shall apportion equitably the proceeds of the part of the tax going to cities and towns among such subdivisions upon the basis of attributing 40 percent of the proceeds of the tax to the operation of mining or quarrying the taconite, and the remainder to the concentrating plant and to the processes of concentration, and with respect to each thereof giving due consideration to the relative extent of such operations performed in each such taxing district. His order making such apportionment shall be subject to review by the tax court of appeals at the instance of any of the interested taxing districts, in the same manner as other orders of the commissioner.

(2) 12.5 cents per taxable ton to the taconite municipal aid account in the apportionment fund of the state treasury, to be distributed as provided in section 298.282.

(3) 29 cents per taxable ton to school districts to be distributed as follows:

(a) 6 cents per taxable ton to the school districts in which the lands from which taconite was mined or quarried were located or within which the concentrate was produced. The commissioner shall follow the apportionment formula prescribed in clause (1).

(b) 23 cents per taxable ton, less any amount distributed under part (c) and part (d), shall be distributed to a group of school districts comprised of those school districts wherein the taconite was mined or quarried or the concentrate produced or in which there is a qualifying municipality as defined by section 273.134 or in which is located property which is entitled to the reduction of tax pursuant to section 273.135, subdivision 2, clause (c). The 23 cents, less any amount distributed under part (c) and

part (d) , shall be distributed in direct proportion to school district tax levies as follows: each district shall receive that portion of the total distribution which its permitted levy for the prior year, computed pursuant to section 275.125, comprises of the sum of permitted levies for the prior year for all qualifying districts, computed pursuant to section 275.125. ~~That portion of~~ The amount so distributed to a school district which is not deducted from state aids in sections 124.212, subdivision 8a computed as a reduction of the school district levies pursuant to section 275.125, subdivision 9, shall be included in computing the permissible levies under section 275.125. For purposes of distributions pursuant to this part, permitted levies for the prior year computed pursuant to section 275.125 shall not include the amount of any increased levy authorized by referendum pursuant to section 275.125, subdivision 2a, clause (4).

(c) There shall be distributed to any school district the amount which the school district was entitled to receive under section 298.32 in 1975.

(d) 25 percent of the tax remaining in part (b) after deduction of the distribution pursuant to part (c) shall be distributed to a group of school districts comprised of those school districts wherein the taconite was mined or quarried or the concentrate produced or in which there is a qualifying municipality as defined by section 273.134 or in which is located property which is entitled to the reduction of tax pursuant to section 273.135, subdivision 2, clause (c). It shall be distributed to such qualifying school districts by dividing the amount herein provided by the direct proportion of such school districts' pupil units to the total pupil units of such qualifying districts. Notwithstanding the provisions of section 124.212, subdivision 8a, clause (2) and the provisions of section 275.125, subdivision 9, clause (2) or any other law to the contrary, the amount which a school district is entitled to receive pursuant to this clause shall not be applied to reduce foundation aids which such school district is entitled to receive pursuant to section 124.212 or the permissible levies of the district.

(4) 19.5 cents per taxable ton to counties to be distributed as follows:

(a) 15.5 cents per taxable ton shall be distributed to the county in which the taconite is mined or quarried or in which the concentrate is produced, less any amount which is to be distributed pursuant to part (b). The commissioner shall follow the apportionment formula prescribed in clause (1).

(b) If an electric power plant owned by and providing the primary source of power for a taxpayer mining and concentrating taconite is located in a county other than the county in which the mining and the concentrating processes are conducted, one cent per taxable ton of the tax distributed to the counties pursuant to part (a) and imposed on and collected from such taxpayer shall be distributed by the commissioner of revenue to the county in which the power plant is located.

(c) 4 cents per taxable ton shall be paid to the county from which the taconite was mined, quarried or concentrated to be deposited in the county road and bridge fund. If the mining, quarrying and concentrating, or separate steps in any of those processes are carried on in more than one county, the commissioner shall follow the apportionment formula prescribed in clause (1).

(5) (a) 25.75 cents per taxable ton, less any amount required to be distributed under part (b), to the taconite property tax relief account in the apportionment fund in the state treasury, to be distributed as provided in sections 273.134 to 273.136.

(b) If an electric power plant owned by and providing the primary source of power for a taxpayer mining and concentrating taconite is located in a county other than the county in which the mining and the concentrating processes are conducted, .75 cent per taxable ton of the tax imposed and collected from such taxpayer shall be distributed by the commissioner of revenue to the county and school district in which the power plant is located as follows: 25 percent to the county and 75 percent to the school district.

(6) 1 cent per taxable ton to the state.

(7) 3 cents per taxable ton shall be deposited in the state treasury to the credit of the iron range resources and rehabilitation board account in the special revenue fund for the purposes of section 298.22. Of this amount, one cent per taxable ton is to be used to provide environmental development grants to local governments located within any county in region 3 as defined in governor's executive order number 60 issued on June 12, 1970, which does not contain a municipality qualifying pursuant to section 273.134.

(8) the amounts determined under clauses (4) (a), (4) (c), and (5) shall be increased in 1979 and subsequent years in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1.

(9) the proceeds of the tax imposed by section 298.24 which remain after the distributions in clauses (1) to (8) and parts (a), (b), (c), and (d) of this clause have been made shall be divided between the taconite environmental protection fund created in section 298.223 and the northeast Minnesota economic protection fund created in section 298.292 as follows: In 1978, 1979, 1980, 1981, and 1982, two-thirds to the taconite environmental protection fund and one-third to the northeast Minnesota economic protection fund; in 1983 and thereafter, one-half to each fund. The proceeds shall be placed in the respective special accounts in the general fund.

(a) In 1978 and each year thereafter, there shall be distributed to each city, town, school district, and county the amount that they received under section 294.26 in calendar year 1977.

(b) In 1978 and each year thereafter, there shall be distributed to the iron range resources and rehabilitation board the amounts it received in 1977 under section 298.22.

(c) In 1978 and each year thereafter, \$50,000 shall be distributed to the department of revenue for auditing and enforcing the production tax imposed by Laws 1977, Chapter 423, Article 10.

(d) In 1978 and 1979, \$150,000 shall be distributed to the department of revenue for the purpose of administering section 298.48. In 1980 and each year thereafter, \$100,000 shall be distributed to the department of revenue. On or before October 10 of each calendar year each producer of taconite or iron sulphides subject to taxation under section 298.24 (hereinafter called "taxpayer") shall file with the commissioner of revenue and with the county auditor of each county in which such taxpayer operates, and with the chief clerical officer of each school district, city or town which is entitled to participate in the distribution of the tax, an estimate of the amount of tax which would be payable by such taxpayer under said law for such calendar year; provided such estimate shall be in an amount not less than the amount due on the mining and production of concentrates up to September 30 of said year plus the amount becoming due because of probable production between September 30 and December 31 of said year, less any credit allowable as hereinafter provided. Such estimate shall list the taxing districts entitled to participate in the distribution of such tax, and the amount of the estimated tax which would be distributable to each such district in the next ensuing calendar year on the basis of the last percentage distribution certified by the commissioner of revenue. If there be no such prior certification, the taxpayer shall set forth its estimate of the proper distribution of such tax under the law, which estimate may be corrected by the commissioner if he deems it improper, notice of such correction being given by him to the taxpayer and the public officers receiving such estimate. The officers with whom such report is so filed shall use the amount so indicated as being distributable to each taxing district in computing the permissible tax levy of such county, city or school district in the year in which such estimate is made, and payable in the next ensuing calendar year, except that in 1978 and 1979 two cents per taxable ton, and in 1980 and thereafter, one cent per taxable ton of the amount distributed under clause (4) (c) shall not be deducted in calculating the permissible levy. Such taxpayer shall then pay, at the times payments are required to be made pursuant to section 298.27, as the amount of tax payable under section 298.24, the greater of (a) the amount shown by such estimate, or (b) the amount due under said section as finally determined by the commissioner of revenue pursuant to law. If, as a result of the payment of the amount of such estimate, the taxpayer has paid in any calendar year an amount of tax in excess of the amount due in such year under section 298.24, after application of credits for any excess payments made in previous years, all as determined by the commissioner of revenue, the

any taxes which, under said section, may become due from the taxpayer in subsequent years. In any calendar year in which a general property tax levy subject to sections 275.125 or 275.50 to 275.59 has been made, if the taxes distributable to any such county, city or school district are greater than the amount estimated to be paid to any such county, city or school district in such year, the excess of such distribution shall be held in a special fund by the county, city or school district and shall not be expended until the succeeding calendar year, and shall be included in computing the permissible levies under sections 275.125 or 275.50 to 275.59, of such county, city or school district payable in such year. If the amounts distributable to any such county, city or school district, after final determination by the commissioner of revenue under this section are less than the amounts indicated by such estimates, such county, city or school district may issue certificates of indebtedness in the amount of the shortage, and may include in its next tax levy, in excess of the limitations of sections 275.125 or 275.50 to 275.59 an amount sufficient to pay such certificates of indebtedness and interest thereon, or, if no certificates were issued, an amount equal to such shortage.

There is hereby annually appropriated to such taxing districts as are stated herein, to the taconite property tax relief account and to the taconite municipal aid account in the apportionment fund in the state treasury, to the department of revenue, to the iron range resources and rehabilitation board, to the taconite environmental protection fund, and to the northeast Minnesota economic protection fund, from any fund or account in the state treasury to which the money was credited, an amount sufficient to make the payment or transfer. The payment of the amount appropriated to such taxing districts shall be made by the commissioner of revenue on or before May 15 annually.

Sec. 74. Minnesota Statutes 1976, Section 298.39, is amended to read:

298.39 [DISTRIBUTION OF PROCEEDS.] The proceeds of the tax collected under section 298.35 shall be distributed by the state treasurer, upon certificate of the commissioner of revenue to the general fund of the state and to the various taxing districts in which the lands from which the semi-taconite was mined or quarried were located in the following proportions: 22 percent thereof to the city or town; 50 percent thereof to the school district; 22 percent thereof to the county; six percent thereof to the state. If the mining and concentration, or different steps in either thereof are carried on in more than one taxing district, the commissioner shall apportion equitably the proceeds of the part of the tax going to cities or towns among such subdivisions, and the part going to school districts among such districts, and the part going to counties among such counties, upon the basis of attributing 40 percent of the proceeds of the tax to the operation of mining or quarrying the semi-taconite, and the remainder to the concentrating plant and to the processes of concentration, and with respect to each thereof giving due consideration to the relative extent of such

operations performed in each such taxing district. His order making such apportionment shall be subject to review by the tax court of appeals at the instance of any of the interested taxing districts, in the same manner as other orders of the commissioner. The amount so distributed shall be divided among the various funds of the state, or of the taxing districts in the same proportion as the general ad valorem tax thereof. If in any year the state shall not spread any general ad valorem tax levy against real property, the state's proportion of the tax shall be paid into the general fund. The amount distributed to any city and one third in 1971 and that portion not deducted from state aids in section 124.212, subdivision 8, thereafter of the amount distributed to any school district under the provisions hereof which is computed as a reduction of the school district levies pursuant to section 275.125, subdivision 9, shall be included in computing the permissible levies of such city or school district under sections 275.11 or 275.125, but shall not be included in computing mill rate limitations, including cost of living adjustments thereof, so long as the levies do not exceed the limitations provided by said sections 275.11 or 275.125. On or before October 10 of each calendar year each producer of semi-taconite subject to taxation under section 298.35, hereinafter called "taxpayer," shall file with the commissioner of revenue and with the county auditor of each county in which such taxpayer operates, and with the chief clerical officer of each school district or city which is entitled to participate in the distribution of the tax, an estimate of the amount of tax which would be payable by such taxpayer under said law for such calendar year; provided such estimate shall be in an amount not less than the amount due on the mining and production of concentrates up to September 30 of said year plus the amount becoming due because of probable production between September 30 and December 31 of said year, less any credit allowable as hereinafter provided. Such estimate shall list the taxing districts entitled to participate in the distribution of such tax, and the amount of the estimated tax which would be distributable to each such district in such next ensuing calendar year on the basis of the last percentage distribution certified by the commissioner of revenue. If there be no such prior certification, the taxpayer shall set forth its estimate of the proper distribution of such tax under the law, which estimate may be corrected by the commissioner if he deems it improper, notice of such correction being given by him to the taxpayer and the public officers receiving such estimate. The officers with whom such report is so filed shall use the amount so indicated as being distributable to each taxing district except in the case of school districts one third in 1971 and that portion not deducted from state aids in section 124.212, subdivision 8, thereafter of the indicated amount which is computed as a reduction of school district levies pursuant to section 275.125, subdivision 9, is to be used in computing, pursuant to sections 275.11 or 275.125, the permissible tax levy of such city or school district in the year in which such estimate is made, and payable in the next ensuing calendar year. Such taxpayer shall then pay, at the times payments are required to be made pursuant to section 298.36, as the amount of tax payable under section 298.35, the greater of (a) the amount shown

by such estimate, or (b) the amount due under said section as finally determined by the commissioner of revenue pursuant to law. If, as a result of the payment of the amount of such estimate, the taxpayer has paid in any calendar year an amount of tax in excess of the amount due in such year under section 298.35, after application of credits for any excess payments made in previous years, all as determined by the commissioner of revenue, the taxpayer shall be given credit for such excess amount against any taxes which, under said section, may become due from the taxpayer in subsequent years. In any calendar year in which a general property tax levy subject to sections 275.11 or 275.125 has been made, if the taxes distributable to any such city or school district are greater than the amount estimated to be paid to any such city or school district in such year, the excess of such distribution shall be held in a special fund by the city or school district and shall not be expended until the succeeding calendar year, and shall be included in computing the permissible levies under sections 275.11 or 275.125 of such city or school district payable in such year. If the amounts distributable to any such city or school district, after final determination by the commissioner of revenue under this section are less than the amounts indicated by such estimates, such city or school district may issue certificates of indebtedness in the amount of the shortage, and may include in its next tax levy, in excess of the limitations of sections 275.11 or 275.125 an amount sufficient to pay such certificates of indebtedness and interest thereon, or, if no certificates were issued, an amount equal to such shortage.

There is hereby appropriated to such taxing districts as are stated herein, from any fund or account in the state treasury to which the money was credited, an amount sufficient to make the payment or transfer.

Sec. 75. Minnesota Statutes 1976, Section 298.396, is amended to read:

298.396 [DISTRIBUTION OF PROCEEDS.] The proceeds of the tax collected under section 298.393 shall be distributed by the state treasurer, upon certificate of the commissioner to the general fund of the state and to the various taxing districts in which the agglomerating facility is located in the following proportions: 22 percent thereof to the city or town; 50 percent thereof to the school district; 22 percent thereof to the county; 6 percent thereof to the state. If the agglomerating facility is located in more than one tax district, the commissioner shall apportion equitably the proceeds of the part of the tax going to cities or towns among such subdivisions, and the part going to school districts among such districts, and the part going to counties among such counties, giving due consideration to the relative extent of the facilities located in each such taxing district. His order making such apportionment shall be subject to review by the tax court of appeals at the instance of any of the interested taxing districts, in the same manner as other orders of the commissioner. The amount to be distributed among the several taxing districts of the state shall be divided by such districts among the funds of such districts in

the same proportion as the general ad valorem tax thereof. The amount distributed to any city and one-third in 1971 and that portion not deducted from state aids in section 124.212, subdivision 8, thereafter of the amount distributed to any school district under the provisions hereof which is computed as a reduction of the school district levies pursuant to section 275.125, subdivision 9, shall be included in computing the permissible amount of the levies of such city or school district under sections 275.11 or 275.125, but shall not be included in computing mill rate limitations, including cost of living adjustments thereof, so long as the levies do not exceed the limitations provided by said sections 275.11 or 275.125.

Sec. 76. Minnesota Statutes 1976, Section 471.16, Subdivision 1, is amended to read:

471.16 [MAY ACT INDEPENDENTLY OR COOPERATIVELY.] Subdivision 1. Any city, however organized, or any town, county, school district, or any board thereof, or any incorporated post of the American Legion or any other incorporated veterans' organization, may operate such a program independently, or they may cooperate among themselves or with any nonprofit organization in its conduct and in any manner in which they may mutually agree; or they may delegate the operation of the program to a recreation board created by one or more of them, and appropriate money voted for this purpose to such board which may in turn support or cooperate with a nonprofit organization. *In the case of school districts after April 15, 1978, the right to enter into such agreements with any other corporation, board or body hereinbefore designated where bonds are issued by the other party and revenue pledged for bonds issued pursuant to section 471.191, shall be authorized only upon obtaining the approval of a majority of the electors voting on the question at a regular or special school election.*

Sec. 77. [471.1911] *Agreements entered into by school districts pursuant to the provisions of 471.15 to 471.191 or Laws 1967, Chapter 33, prior to April 15, 1978, without a referendum, are not void and are hereby validated.*

Sec. 78. Minnesota Statutes 1976, Section 471.61, Subdivision 1, is amended to read:

471.61 [GROUP INSURANCE, PROTECTION FOR OFFICERS, EMPLOYEES, RETIRED OFFICERS AND EMPLOYEES.] Subdivision 1. [OFFICERS, EMPLOYEES.] Any county, municipal corporation, town, school district, county extension committee, other political subdivision or other body corporate and politic of this state, other than the state or any department thereof, through its governing body, and any two or more subdivisions acting jointly through their governing bodies, may insure or protect its or their officers and employees, and their dependents, or any class or classes thereof, under a policy or policies, or contract or contracts of group insurance or benefits covering life, health, and accident, in the case of employees, and medical and surgical

benefits, and hospitalization insurance or benefits, for both employees and dependents, or dependents of an employee whose death was due to causes arising out of and in the course of employment, or any one or more of such forms of insurance or protection. *A school district may elect to provide any or all of these benefits through self-insurance.* Any such governmental unit, including county extension committees and those paying their employees, may pay all or any part of the premiums or charges on such insurance or protection. Any such payment shall be deemed to be additional compensation paid to such officers or employees but for purposes of determining contributions or benefits under any public pension or retirement system it shall not be deemed to be additional compensation. Any one or more of such governmental units may determine that a person is an officer or employee if such officer or employee receives a portion of his income from such governmental subdivisions without regard to the manner of his election or appointment. The appropriate officer of such governmental unit, or those disbursing county extension funds, shall deduct from the salary or wages of each officer and employee who elects to become insured or so protected, on the officer's or employee's written order, all or part of the officer's or employee's share of such premiums or charges and remit the same to the insurer or company issuing such policy or contract.

Any governmental unit which pays all or any part of such premiums or charges is authorized to levy and collect a tax, if necessary, in the next annual tax levy for the purpose of providing the necessary funds for the payment of such premiums or charges, and except for school districts such sums so levied and appropriated shall not, in the event such sum exceeds the maximum sum allowed by any law or the charter of a municipal corporation, be considered part of the cost of government of such governmental unit as defined in any tax levy or per capita expenditure limitation; provided at least 50 percent of the cost of benefits on dependents shall be contributed by the employee or be paid by levies within existing per capita tax limitations.

The word "dependents" as used herein shall mean spouse and minor unmarried children under the age of 18 years actually dependent upon the employee.

Sec. 79. [REPORT; DISEQUALIZING RESOURCES.] *Prior to January 1, 1979, the commissioner shall file a written report with the appropriate education committees and subcommittees of the senate and house of representatives on the amount of revenues derived by each district in the state for the 1973-1974, 1974-1975, 1975-1976, 1976-1977 or the 1977-1978 school year pursuant to each of the following statutes: 84A.51, subdivision 4; 88.51; 88.52, subdivision 4; 89.036; 90.50, subdivision 5; 93.283, subdivision 7; 93.335, subdivision 4; 94.52; 94.521; 97.49; 124.63; 270.38; 272.04; 272.05; 272.68, subdivision 3; 273.111, subdivision 10; 273.112, subdivision 8; 273.13, subdivision 2a; 274.19, subdivision 7; 279.37, subdivision 7; 282.08; 285.14; 462.575, subdivision 3; 473F.08, subdivision 8; and Laws 1961, Chapter 612, Section 1. However, the commissioner shall not require reports of districts or report to*

the legislature on any revenues received pursuant to any one of these statutory provisions if that particular revenue is presently reduced or subtracted from the foundation aid of a district or if an amount attributable to that revenue is reduced from a school district's levies pursuant to section 275.125, subdivision 9.

Sec. 80. Laws 1967, Chapter 33, is amended by adding a section to read:

Sec. 6a. After April 15, 1978, a school district shall have the right to enter into an agreement with the city of Coon Rapids where the city pledges revenues for the acquisition and betterment of recreational facilities pursuant to Laws 1967, Chapter 33, only after authorization is granted the district by a majority of the electors voting on the question at a regular or special school election.

Sec. 81. Laws 1967, Chapter 822, Section 7, as amended by Laws 1969, Chapter 945, Section 2; Laws 1975, Chapter 432, Section 84; and Laws 1977, Chapter 447, Article V, Section 13, is amended to read:

Sec. 7. [TAX LEVIES.] The joint school board shall may each year, for the purpose of paying any administrative, planning, operating, or capital expenses incurred or to be incurred for area vocational-technical schools, certify to each participating school district the tax levy specified in Minnesota Statutes, Section 275.125, Subdivision 13, Clause (2). Additional tax levies may be certified which shall not in any year exceed .6 mills on each dollar of adjusted assessed valuation for special education and .7 mills on each dollar of adjusted assessed valuation for expenses for secondary vocational education. Each participating school district shall include such tax levies in the next tax roll which it shall certify to the county auditor or auditors, and shall remit the collections of such levies to the board promptly when received. Such levies shall not be included in computing the limitations upon the levy of any district under Minnesota Statutes, Section 275.125. The board may, any time after such levies have been certified to the participating school districts, issue and sell certificates of indebtedness in anticipation of the collection of such levies, but in aggregate amounts such as will not exceed the portion of the levies which is then not collected and not delinquent.

Sec. 82. Laws 1969, Chapter 775, Section 4, Subdivision 1, is amended to read:

Sec. 4. [FINANCING.] Subdivision 1. The intermediate school board shall be a public agency and may receive and disburse federal and state funds made available to it including moneys described in Minnesota Statutes, Section 121.21. For purposes of this act all post high school students attending facilities of said intermediate school district shall be deemed nonresident students, except those students residing within the component district where the facility is located, for purposes of state aids; provided that the percentage of students enrolled for which this school receives reimbursement a nonresident basis shall not exceed the statewide average percentage of nonresident students

in other area vocational technical schools. No participating school district as such shall have any individual liability for the debts or obligations of said intermediate school district nor shall any individual serving as a member of the intermediate school board have such liability. Any property, real or personal, acquired, owned, leased, used, or controlled in any way by the intermediate board for its purposes shall be exempt from taxation by the state or any of its political subdivisions.

Sec. 83. Laws 1969, Chapter 775, Section 4, Subdivision 2, as amended by Laws 1971, Chapter 267, Section 3; Laws 1975, Chapter 432, Section 85; and Laws 1977, Chapter 447, Article V, Section 14, is amended to read:

Subd. 2. The intermediate school board shall *may* in each year for the purpose of paying any administrative, planning, operating, or capital expenses incurred or to be incurred certify to each county auditor of each county in which said intermediate school district shall lie, as a single taxing district, the tax levy specified in Minnesota Statutes, Section 275.125, Subdivision 13, Clause (2). Additional tax levies may be certified which shall not in any year exceed .6 mills on each dollar of adjusted assessed valuation for expenses for special education and .5 mills on each dollar of adjusted assessed valuation for expenses for secondary vocational education. Said annual tax levies shall be certified pursuant to Minnesota Statutes, Section 124.02. Upon such certification the county auditor or auditors and other appropriate county officials shall levy and collect such levies and remit the proceeds of collection thereof to the intermediate school district as in the case with independent school districts. Such levies shall not be included in computing the limitations, if any, upon the levy of the intermediate district or any of the participating districts under Minnesota Statutes, Section 275.125. After such levies have been certified to the appropriate county officials the intermediate school board may issue and sell by negotiation or at public sale its certificates of indebtedness in anticipation of the collection of such levies, but in aggregate amount such as will not exceed the portion of such tax levy which is then not collected and not delinquent.

Sec. 84. Laws 1969, Chapter 1060, Section 7, as amended by Laws 1975, Chapter 432, Section 86, and Laws 1977, Chapter 447, Article V, Section 15, is amended to read:

Sec. 7. [TAX LEVIES.] The joint school board shall *may* each year, for the purpose of paying any administrative, planning, operating, or capital expenses incurred or to be incurred for area vocational-technical schools, certify to each participating school district the tax levy specified in Minnesota Statutes, Section 275.125, Subdivision 13, Clause (2). Additional tax levies may be certified which shall not in any year exceed .6 mills on each dollar of adjusted assessed valuation for expenses for special education and .5 mills on each dollar of adjusted assessed valuation for expenses for secondary vocational education. Each participating school district shall include such tax levies in the next tax roll which it shall certify to the county auditor or auditors, and shall remit the collections of such levies to the board promptly

when received. Such levies shall not be included in computing the limitations upon the levy of any district under Minnesota Statutes, Section 275.125. The board may, any time after such levies have been certified to the participating school districts, issue and sell certificates of indebtedness in anticipation of the collection of such levies, but in aggregate amounts such as will not exceed the portion of the levies which is then not collected and not delinquent.

Sec. 85. Laws 1971, Chapter 722, Section 1, as amended by Laws 1975, Chapter 432, Section 87, is amended to read:

Section 1. [SPECIAL SCHOOL DISTRICT NO. 1; TAX LEVY.] To provide moneys to pay any administrative, operational, planning or capital expenses of an area vocational-technical school established pursuant to the provisions of Minnesota Statutes, Section 121.21, the board of directors of special school district No. 1 of Minneapolis shall *may* levy the tax specified in ~~section 76, clause 1 of this act~~ *Minnesota Statutes, Section 275.125; Subdivision 13, Clause (1)* .

Sec. 86. [CONSOLIDATION ELECTION; INDEPENDENT SCHOOL DISTRICTS NO. 326 AND NO. 323.] *At any election called pursuant to section 122.23 for the consolidation of Independent School District No. 326 and Independent School District No. 323, the boards of those districts may submit to the voters of those districts an additional proposal to:*

- (a) increase the number of directors on the board of the consolidated district to seven, and*
- (b) establish separate election districts from which the directors of the consolidated district will be elected.*

The proposal shall be set forth in a joint resolution of the boards of both districts adopted in accordance with Minnesota Statutes, Section 123.32, Subdivision 22. That portion of the joint resolution establishing the separate election districts shall be adopted in accordance with Minnesota Statutes, Section 123.32, Subdivisions 9 to 21.

The proposal shall be effective upon approval of that proposal and the consolidation proposal by a majority of those voting at that election.

This section expires December 31, 1979.

Sec. 87. [SUMMER SCHOOL DEFICIENCY.] Laws 1977, Chapter 447, Article I, Section 23, Subdivision 2, is amended to read:

Subd. 2. [FOUNDATION AID.] For foundation aid there is appropriated:

\$611,600,000 1978,

\$634,300,000 1979.

(a) The appropriation in this subdivision for fiscal year 1978 includes not to exceed \$60,000,000 for the payment of the final

foundation aid distribution for fiscal year 1977, of which not to exceed ~~\$8,241,000~~ \$8,826,000 is for foundation aid for 1977 summer school programs.

(b) The appropriation in this subdivision for fiscal year 1979 includes not to exceed \$58,150,000 for the payment of the final foundation aid distribution for fiscal year 1978, of which not to exceed \$8,850,000 is for foundation aid for 1978 summer school programs.

Sec. 88. [RESIDENTIAL FACILITIES DEFICIENCY.] Laws 1977, Chapter 447, Article III, Section 16, Subdivision 2, is amended to read:

Subd. 2. For special education aid there is appropriated:

- \$66,225,000.....1978,
- \$78,140,000.....1979.

(a) The appropriation in this subdivision for fiscal year 1978 includes not to exceed \$8,177,000 for the payment of the final special education aid distribution to each district for fiscal year 1977, of which not to exceed \$2,800,000 is for special education aid for 1977 summer school programs.

(b) The appropriation in this subdivision for fiscal year 1979 includes not to exceed \$10,373,317 for the payment of the final special education aid distribution to each school district for fiscal year 1978, of which not to exceed \$3,780,000 is for special education aid for 1978 summer school programs.

(c) The appropriations in this subdivision include not to exceed ~~\$500,000~~ \$550,000 in 1978 and \$600,000 in 1979 for aid pursuant to section 124.32, subdivision 5. These amounts are the total appropriations for this purpose for each year.

Sec. 89. *Notwithstanding the provisions of Laws 1977, Chapter 447, Article II, Section 11, Subdivision 2, Clause (d), any unexpended balance of the \$150,000 appropriated pursuant to that clause for transportation aid authorized pursuant to section 124.223, clause (9) for the year ending June 30, 1978 shall be available for the same purpose for the year ending June 30, 1979. Nothing in this section, however, shall be construed to modify the proration requirement, as to these sums, which is specified in Laws 1977, Chapter 447, Article II, Section 11, Subdivision 3.*

Sec. 90. [DEFICIENCY APPROPRIATION; ADVISORY COUNCILS.] *There is appropriated from the general fund to the department of education the sum of \$5,500 for the year ending June 30, 1978 and the sum of \$11,000 for the year ending June 30, 1979, for the purpose of paying the expenses of the advisory council on the Minnesota school for the deaf and the advisory council on the Minnesota braille and sight-saving school. The appropriations in this section shall be added to the sums appropriated for that purpose for the years designated in Laws 1977, Chapter 449, Section 2, Subdivision 3.*

Sec. 91. [DEFICIENCY APPROPRIATION; COMMUNITY EDUCATION.] *There is appropriated from the general fund to the state department of education the sum of \$35,000 for the year ending June 30, 1978. The appropriation in this section shall be added to the sum appropriated for the same year in Laws 1977, Chapter 447, Article IV, Section 7, Subdivision 4.*

Sec. 92. [AID FOR SECONDARY VOCATIONAL EDUCATION PROGRAMS FOR HANDICAPPED CHILDREN; TRANSFER OF APPROPRIATED SUMS.] Subdivision 1. *The sum of \$1,800,000 shall be available to the department of education for secondary vocational education programs for handicapped children for the year ending June 30, 1979.*

(a) Of this amount, the sum of \$1,538,000 is transferred from the special education aid appropriation for fiscal year 1979 in Laws 1977, Chapter 447, Article III, Section 16, Subdivision 2, and reappropriated for this purpose.

(b) This amount is based on the assumption that the state will spend for this purpose an amount at least equal to \$262,000 in fiscal year 1979, of federal money received for vocational education programs pursuant to the Vocational Education Act of 1963, as amended.

Subd. 2. *None of the amounts transferred and reappropriated for secondary vocational education for handicapped children shall be used for any other purpose. If the amount reappropriated is insufficient, the aid shall be prorated among all qualifying districts and the state shall not be obligated for any amount in excess of the appropriation in this section for this purpose.*

Sec. 93. [APPROPRIATION; TRAVEL AID.] *There is appropriated from the general fund to the department of education the sum of \$700,000 for the fiscal year ending June 30, 1979, for the travel aid established in section 34 of this act. If this amount is insufficient, the aid shall be prorated among the qualifying units and the state shall not be obligated for this purpose.*

Sec. 94. [APPROPRIATION; VETERAN'S TUITION.] *There is appropriated from the general fund to the state department of education the sum of \$840,000 for the year ending June 30, 1979. The appropriation in this section shall be added to the sum appropriated for the year designated in Laws 1977, Chapter 447, Article V, Section 20, Subdivision 2.*

Sec. 95. [APPROPRIATIONS; AFDC CONCENTRATION.] *There is appropriated from the general fund to the department of education the sum of \$1,164,600 for the year ending June 30, 1979. This amount shall be added to the sum appropriated for the year designated in Laws 1977, Chapter 447, Article I, Section 23, Subdivision 2.*

Sec. 96. [REPEALER.] Subdivision 1. *Minnesota Statutes 1976, Sections 120.065, 120.07, 124.02, and 124.16 are repealed. Minnesota Statutes, 1977 Supplement, Section 123.39, Subdivision 5a,*

is repealed. This subdivision shall be effective the day following final enactment.

Subd. 2. Minnesota Statutes, 1977 Supplement, Section 124.213, is repealed. This subdivision shall be effective on July 1, 1978.

Sec. 97. [EFFECTIVE DATES.] *Subdivision 1. Except as provided in section 96, subdivision 2, and in this section, the provisions of this act shall be effective the day following its final enactment.*

Subd. 2. Sections 58 and 61 of this act shall be retroactively effective on July 1, 1977. Section 11 of this act shall be retroactively effective on July 1, 1977 and permanent fund transfers from an area vocational-technical school's general fund to its capital expenditure fund made after June 30, 1977 are validated.

Subd. 3. Section 12 of this act, insofar as it affects named pairs of independent school districts, shall be effective as to each pair upon its approval by the school boards of both of the paired districts. Otherwise, section 12 of this act shall be effective the day following final enactment.

Subd. 4. Sections 5, 6, 7, 25, 31, 33, 34, 38, 39, 40, 41, 42, 49, 63, 64, 65, 66, 68, 81, 83, 84, 85, 93, 94 and 95 of this act shall be effective on July 1, 1978."

Further, strike the title and insert

"A bill for an act relating to education; providing for certain adjustments in aids to education, tax levies, and the distribution of tax revenues; granting certain powers and duties to school boards, school districts, school bus contractors, the commissioner of education, the state board of education, the state board for vocational education, and the board of teaching; allowing certain fees; establishing formulas for travel aid and aid for certain secondary vocational education programs; increasing incentives for teacher mobility; appropriating money; amending Minnesota Statutes 1976, Sections 6.62, Subdivision 1; 120.17, Subdivision 3; 120.64, Subdivision 4; 120.73, by adding a subdivision; 121.21, Subdivision 6; 121.216; 121.904, Subdivision 7, and by adding a subdivision; 122.23, by adding subdivisions; 123.34, Subdivisions 4 and 8; 123.37, Subdivisions 1b, 3 and 4; 123.39, by adding subdivisions; 124.15, Subdivisions 2 and 6; 124.17, by adding a subdivision; 124.212, Subdivision 20; 124.222, by adding a subdivision; 124.563, Subdivision 2; 124.565, by adding a subdivision; 125.12, Subdivisions 6a and 6b; 125.185, Subdivision 4, and by adding a subdivision; 126.12; 127.25, Subdivisions 1, 2, and by adding a subdivision; 128A.02, by adding a subdivision; 128A.03, Subdivision 2; 134.03; 275.125, Subdivisions 6, 15, 16 and 18, and by adding a subdivision; 275.48; 298.39; 298.396; 471.16, Subdivision 1; 471.61, Subdivision 1; Chapter 120, by adding a section; Chapter 121, by adding sections; Minnesota Statutes, 1977 Supplement, Sections 121.912, Subdivision 1; 122.85, Subdivision 1; 124.17, Subdivision 1; 124.212, Subdivisions 5a and 8a; 124.214; 124.222, Subdivision 6; 124.223; 124.32, Subdivisions 1b, 5 and 7; 124.562, Subdivision 1; 124.563, Subdivision 1; 124.572,

Subdivision 3; 124.573, Subdivisions 2, 3, and by adding a subdivision; 125.60, Subdivision 2; 125.61, Subdivisions 1 and 2; 176.011, Subdivision 9; 275.07; 275.124; 275.125, Subdivisions 2a, 9 and 13; 298.28, Subdivision 1; Laws 1967, Chapter 33, by adding a section; Laws 1967, Chapter 822, Section 7, as amended; Laws 1969, Chapter 775, Section 4, Subdivision 1 and Subdivision 2, as amended; Laws 1969, Chapter 1060, Section 7, as amended; Laws 1971, Chapter 722, Section 1, as amended; Laws 1977, Chapter 447, Article I, Section 23, Subdivision 2 and Article III, Section 16, Subdivision 2; repealing Minnesota Statutes 1976, Sections 120.065; 120.07; 124.02; 124.16; Minnesota Statutes, 1977 Supplement, Sections 123.39, Subdivision 5a; and 124.213."

The motion prevailed. So the amendment was adopted.

Mr. Moe moved to amend H. F. No. 1885, as amended by the Senate March 11, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1781.)

Page 91, after line 25, insert

"Sec. 96. [APPROPRIATION; INDIAN EDUCATION.] *There is appropriated from the general fund to the department of education the sum of \$348,000 for the year ending June 30, 1979. This appropriation is available for expenditure with the approval of the governor after consultation with the legislative advisory commission in the manner provided in section 3.30. This appropriation is available October 1, 1978, but only if there will not be available for the districts enumerated in this section for the 1978-1979 school year any operational support funds from the federal bureau of Indian affairs pursuant to the Johnson-O'Malley act, P.L. 73-167 or 25 CFR 273.31, or equivalent money from the same or another source. This appropriation shall be distributed as follows: \$141,000 to Independent School District No. 25; \$25,000 to Independent School District No. 166; \$38,000 to Independent School District No. 432; \$36,000 to Independent School District No. 435; and \$108,000 to Independent School District No. 707. These amounts shall be expended only for the benefit of Indian students and for the purpose of meeting established state educational standards or statewide requirements.*"

Page 92, line 3, strike "96" and insert "97"

Page 92, line 19, strike "and" and insert a comma

Page 92, line 20, after "95" insert "and 96"

Renumber the sections in sequence

The motion prevailed. So the amendment was adopted.

Mr. Davies moved to amend H. F. No. 1885, as amended by the Senate March 11, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1781.)

Pages 81 and 82, strike section 78

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 32, strike "471.61, Subdivision 1;"

The motion did not prevail. So the amendment was not adopted.

Mr. Nichols moved to amend H. F. No. 1885, as amended by the Senate March 11, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1781.)

Page 33, line 15, strike "*his 29th birthday*" and insert "*September 1, 1981*"

The motion did not prevail. So the amendment was not adopted.

Mr. Davies moved to amend H. F. No. 1885, as amended by the Senate March 11, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1781.)

Page 81, line 28, after "*self-insurance*" insert "*until July 1, 1980*"

The motion prevailed. So the amendment was adopted.

Pursuant to Rule 21, Mr. Moe moved that the following members be excused for a Conference Committee on H. F. Nos. 2493 and 2494:

Messrs. Moe, Lewis, Kleinbaum and Kirchner. The motion prevailed.

Mr. Engler moved to amend H. F. No. 1885, as amended by the Senate March 11, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1781.)

Page 53, after line 13, insert:

"Sec. 62. Minnesota Statutes, 1977 Supplement, Section 273.132, is amended to read:

273.132 [STATE PAID AGRICULTURAL CREDIT.] The county auditor shall reduce the tax for school purposes on all property receiving the homestead credit pursuant to section 273.13, subdivision 6, by an amount equal to the tax levy that would be produced by applying a rate of ~~15~~ 16 mills on the property. The county auditor shall reduce the tax for school purposes on all other agricultural lands and all real estate devoted to temporary and seasonal residential occupancy for recreational purposes, but not devoted to commercial purposes, by an amount that would be produced by applying a rate of ten mills on the property. The amounts so computed by the county auditor shall

be submitted to the commissioner of revenue as part of the abstracts of tax lists required to be filed with the commissioner under the provisions of section 275.29. Any prior year adjustments shall also be certified in the abstracts of tax lists. The commissioner of revenue shall review such certifications to determine their accuracy. He may make such changes in the certification as he may deem necessary or return a certification to the county auditor for corrections.

In 1977, payment shall be made according to the procedure provided in section 273.13, subdivision 15a, for the purpose of replacing revenue lost as a result of the reduction of property taxes provided in this section. In 1978, payment shall be made pursuant to sections 124.212, subdivision 7b and 124.11, for the purpose of replacing revenue lost as a result of the reduction in property taxes provided in this section. There is appropriated from the general fund in the state treasury to the commissioner of revenue the amount necessary to make these payments in fiscal year 1978. There is appropriated from the general fund in the state treasury to the department of education the amount necessary to make these payments in fiscal year 1979 and thereafter."

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 2, line 3, after "9;" insert "273.132;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 19 and nays 32, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Keefe, J.	Olson	Sieloff
Bang	Engler	Knaak	Pillsbury	Ueland, A.
Bernhagen	Frederick	Knutson	Purfeerst	Ulland, J.
Brataas	Jensen	Ogdahl	Renneke	

Those who voted in the negative were:

Anderson	Hughes	Menning	Peterson	Stokowski
Benedict	Johnson	Merriam	Schaaf	Strand
Davies	Keefe, S.	Nelson	Schrom	Stumpf
Dieterich	Knoll	Nichols	Setzepfandt	Tennessee
Gearty	Laufenburger	Olhoff	Solon	Vega
Gunderson	Lessard	Penny	Spear	Willet
Hanson	Luther			

The motion did not prevail. So the amendment was not adopted.

Mrs. Brataas moved to amend H. F. No. 1885, as amended by the Senate March 11, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1781.)

Page 20, after line 30, insert

“Sec. 28. Minnesota Statutes, 1977 Supplement, Section 124.212, Subdivision 7b, is amended to read:

Subd. 7b. For the 1978-1979 school year a district shall receive in foundation aid \$1,000 \$1,095 per pupil unit less 28 mills times the 1976 adjusted assessed valuation of the district, plus the amount of the agricultural tax credit by which 1977 payable 1978 property taxes in the district are reduced pursuant to section 273.132.”

Page 23, after line 11, insert

“Sec. 35. Minnesota Statutes, 1977 Supplement, Section 124.32, Subdivision 1a, is amended to read:

Subd. 1a. For purposes of this section, for the 1977-1978 school year, the foundation aid formula allowance per pupil unit shall be the lesser of \$1,030 or the greater sum computed pursuant to section 124.212, subdivision 6b, clause (2). For the 1978-1979 school year, the foundation aid formula allowance per pupil unit shall be \$1,000 \$1,095. Computations of foundation aid formula allowances pursuant to this section shall be based on the foundation aid formula allowance per pupil unit in the child's district of residence. For the purposes of computing foundation aid formula allowances pursuant to this section, each handicapped child shall be counted as prescribed in section 124.17, subdivision 1, clause (1) or (2).”

Page 91, after line 25, insert

“Sec. 96. [APPROPRIATION; FOUNDATION AID.] *There is appropriated from the general fund to the department of education for the year ending June 30, 1979 the sum of \$4,588,000. The appropriation in this section shall be added to the sum appropriated for the same year in Laws 1977, Chapter 447, Article 1, Section 23, subdivision 2.*”

Renumber the sections accordingly

Correct the internal references accordingly

Further, amend the title as follows:

Page 1, line 37, after “5a” insert “, 7b”

Page 1, line 38, after “Subdivisions” insert “1a,”

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 19 and nays 32, as follows:

Those who voted in the affirmative were:

Ashbach	Brataas	Jensen	Ogdahl	Sieloff
Bang	Dunn	Keefe, J.	Pillsbury	Ueland, A.
Benedict	Engler	Knaak	Renneke	Ulland, J.
Bernhagen	Frederick	Knutson	Schrom	

Those who voted in the negative were:

Anderson	Hughes	McCutcheon	Peterson	Stokowski
Chenoweth	Johnson	Menning	Purfeerst	Strand
Davies	Keefe, S.	Merriam	Schaaf	Stumpf
Dieterich	Knoll	Nelson	Schmitz	Tennessee
Gearty	Laufenburger	Olhoft	Setzepfandt	Vega
Gunderson	Lessard	Penny	Spear	Willet
Hanson	Luther			

The motion did not prevail. So the amendment was not adopted.

Mr. Bernhagen moved to amend H. F. No. 1885, as amended by the Senate March 11, 1978, as follows:

(The text of the amended House File is identical to Senate File 1781.)

Page 31, line 26, after the period insert:

"The amount raised by the discretionary levy allowed by section 275.125, subdivision 13, shall not be reduced from the post-secondary vocational foundation aid in the 1979-1980 school year and thereafter."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 18 and nays 32, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Knoll	Olson	Sieloff
Bang	Frederick	Knutson	Pillsbury	Ueland, A.
Bernhagen	Jensen	Nelson	Renneke	Ulland, J.
Brataas	Knaak	Olhoft		

Those who voted in the negative were:

Anderson	Hanson	McCutcheon	Purfeerst	Stokowski
Benedict	Hughes	Menning	Schaaf	Strand
Chenoweth	Johnson	Merriam	Schmitz	Stumpf
Davies	Keefe, S.	Penny	Setzepfandt	Tennessee
Dieterich	Laufenburger	Perpich	Solon	Vega
Gearty	Lessard	Peterson	Spear	Willet
Gunderson	Luther			

The motion did not prevail. So the amendment was not adopted.

Mr. Knutson moved to amend H. F. No. 1885, as amended by the Senate March 11, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1781.)

Page 83, after line 22, insert:

"Sec. 80. [LEGISLATIVE EDUCATIONAL FINANCE STUDY COMMISSION.] Subdivision 1. [CREATION.] A permanent commission to continually study and investigate educational finance systems is hereby created.

Subd. 2. [POWERS.] The name of the commission is the legislative educational finance study commission. The commission shall

make a continuing study and investigation of educational finance plans applicable to school districts in this state. The powers and duties of the commission include, but are not limited to the following:

(a) The study of educational finance in Minnesota in all its aspects including federal, state and local financing of elementary, middle school, secondary, adult, and vocational education;

(b) The study and analysis of all phases and aspects of the financing of higher education systems and institutions both public and private;

(c) The making of recommendations to the legislature within the scope of the study, including attention to various methods and plans for financing education, and the filing of a report biennially to the governor and the legislature;

(d) The consideration of the financial status of school districts and higher education systems and institutions throughout Minnesota, including analysis of both revenues and expenditures;

(e) The consideration of future revenue needs and resources of Minnesota school districts and higher education systems and institutions and of plans for meeting these needs;

(f) The creation of a data base as necessary for the compilation and analysis of financial information on school districts in Minnesota;

(g) The study of power equalization financing as it would relate to Minnesota school districts;

(h) The study of revisions in categorical aid areas including, but not limited to, special education, secondary and adult vocational education, adult education, transportation aids, special aids, and in lieu aids;

(i) The study of other areas relating to the financing of education in Minnesota including, but not limited to, school enrollments, school construction, interdistrict cooperation, staff salaries, administration, and disparities in costs, revenues, and taxes;

(j) To study, analyze, and prepare reports regarding any other subjects certified to the commission for such study.

Subd. 3. [MEMBERSHIP.] The commission consists of eight members of the senate to be appointed by the subcommittee on committees and eight members of the house of representatives to be appointed by the speaker. The first members of this commission shall be selected to serve for a term expiring on January 15 of the next session of the legislature and until their successors are appointed. Subsequent members of the commission shall be appointed at the commencement of each session of the legislature for a two year term beginning January 16 of the year of such regular session. Vacancies on the commission occurring while the legislature is in session shall be filled in the same manner as origi-

nal appointments to the commission. If the legislature is not in session, vacancies in the membership of the commission shall be filled by the last senate subcommittee on committees or other appointing authority designated by the senate rules in case of a senate vacancy, and by the last speaker of the house, or if he be not available, by the last chairman of the house rules committee in case of a house vacancy.

Subd. 4. [OFFICE, MEETINGS, OFFICERS.] The commission shall maintain an office in the capitol group of buildings in space which the legislative coordinating commission shall designate. The commission shall hold meetings at such times and places as it may designate. It shall select a chairman, a vice chairman and such other officers from its membership as it may deem necessary.

Subd. 5. [STAFF.] The commission shall designate or employ such professional, clerical, and technical assistants as it deems necessary in order for the legislative educational finance study commission to perform the duties herein prescribed.

Subd. 6. [ASSISTANCE OF OTHER AGENCIES.] The commission may request information from any state officer or agency in order to assist in carrying out the terms of this section and such officer or agency is authorized and directed to promptly furnish any data requested.

Subd. 7. [LEGISLATIVE BILLS FURNISHED.] The secretary of the senate and the chief clerk of the house shall provide the commission with a copy of each bill introduced in the legislature concerning educational finance."

Page 91, after line 25, insert:

"Sec. 96. The sum of \$40,000 is appropriated from the general fund to the legislative educational finance study commission for the purposes of this act to be available until June 30, 1979."

Amend the title as follows:

Page 1, line 13, after "mobility;" insert "creating a legislative educational finance study commission;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 15 and nays 33, as follows:

Those who voted in the affirmative were:

Ashbach	Brataas	Frederick	Knutson	Sieloff
Bang	Dunn	Jensen	Pillsbury	Ueland, A.
Bernhagen	Engler	Knaak	Renneke	Ulland, J.

Those who voted in the negative were:

Anderson	Hanson	McCutcheon	Perpich	Spear
Benedict	Hughes	Merriam	Peterson	Stokowski
Chenoweth	Johnson	Nelson	Purfeerst	Strand
Coleman	Keefe, S.	Nichols	Schaaf	Stumpf
Davies	Knoll	Olhoft	Schmitz	Tennessee
Dieterich	Lessard	Olson	Setzepfandt	Vega
	Luther	Penny		

The motion did not prevail. So the amendment was not adopted.

Pursuant to Rule 21, Mr. McCutcheon moved that the following members be excused for a Conference Committee on S. F. No. 65:

Messrs. McCutcheon; Davies; Keefe, J.; Lewis and Sikorski.

The motion prevailed.

Mr. Renneke moved to amend H. F. No. 1885, as amended by the Senate March 11, 1978, as follows:

(The text of the amended House File is identical to Senate File 1781.)

Page 34, line 17, strike "or" and insert a comma

Page 34, line 17, after "state" insert "or national"

The motion did not prevail. So the amendment was not adopted.

Mrs. Knaak moved to amend H. F. No. 1885, as amended by the Senate March 11, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1781.)

Page 18, line 26, strike "average" and insert "*quotient obtained when the sum*"

Page 18, line 26, after "of" and before "actual" insert "*the numbers of*"

Page 18, line 28, after "year" insert "*and one-half the number of actual pupil units in the district for the third prior year, is divided by three and one-half*"

Page 91, after line 25, insert:

"Sec. 96. [APPROPRIATION; DECLINING ENROLLMENT.] *There is appropriated from the general fund to the department of education the sum of \$7,800,000 for the year ending June 30, 1979. This amount shall be added to the sum appropriated for the year designated in Laws 1977, Chapter 447, Article I, Section 23, Subdivision 2.*"

Renumber the sections in sequence and correct internal references.

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 14, and nays 35, as follows:

Those who voted in the affirmative were:

Ashbach	Bernhagen	Knaak	Pillsbury	Ueland, A.
Bang	Frederick	Knutson	Renneke	Ulland, J.
Benedict	Kirchner	Ogdahl	Sieloff	

Those who voted in the negative were:

Anderson	Hanson	Menning	Penny	Stokowski
Borden	Hughes	Merriam	Perpich	Strand
Chmielewski	Johnson	Moe	Purfeerst	Stumpf
Coleman	Keefe, S.	Nelson	Schmitz	Tennessee
Davies	Kleinbaum	Nichols	Setzepfandt	Vega
Dieterich	Knoll	Olhoft	Spear	Wegener
Gearty	Luther	Olson	Staples	Willet

The motion did not prevail. So the amendment was not adopted.

H. F. No. 1885 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Knoll	Olson	Staples
Ashbach	Engler	Knutson	Penny	Stokowski
Bang	Frederick	Laufenburger	Perpich	Strand
Benedict	Gearty	Lessard	Pillsbury	Stumpf
Bernhagen	Gunderson	Luther	Purfeerst	Tennessee
Borden	Hanson	Menning	Renneke	Ueland, A.
Brataas	Hughes	Merriam	Schaaf	Ulland, J.
Chenoweth	Jensen	Moe	Schmitz	Vega
Chmielewski	Johnson	Nelson	Schrom	Wegener
Coleman	Kirchner	Nichols	Setzepfandt	Willet
Davies	Kleinbaum	Ogdahl	Sieloff	
Dieterich	Knaak	Olhoff	Spear	

So the bill, as amended, passed and its title was agreed to.

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to take up the General Orders Calendar. The motion prevailed.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Gearty in the chair.

After some time spent therein, the committee arose, and Mr. Gearty reported that the committee had considered the following:

S. F. No. 1757, H. F. Nos. 2048, 1864, 2020, which the committee recommends to pass.

S. F. Nos. 1740 and 1853 which the committee recommends be returned to their authors.

H. F. No. 2298, which the committee recommends to pass with the following amendment offered by Mr. Merriam:

Amend H. F. No. 2298, as amended pursuant to Rule 49, adopted by the Senate March 8, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1398.)

Page 1, line 16, strike “, and then only after giving a”

Page 1, strike line 17

Page 1, line 18, strike “pedestrian may be affected by the movement” and strike “and”

H. F. No. 1297, which the committee recommends to pass with the following amendment offered by Mr. Peterson:

Amend H. F. No. 1297, as amended pursuant to Rule 49, adopted by the Senate February 23, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1212.)

Page 5, after line 31, insert:

"Sec. 9. Minnesota Statutes 1976, Section 100.29, Subdivision 10, is amended to read:

Subd. 10. It shall be unlawful to throw or cast the rays of a spotlight, headlight, or other artificial light on any highway, or in any field, woodland, or forest, for the purpose of spotting, locating or taking any wild animal, except raccoons when treed with the aid of dogs *while on foot*, while having in possession or under control, either singly or as one of a group of persons, any firearm, bow or other implement whereby big game could be killed, unless the firearm is unloaded in both barrels and magazine and completely contained in a gun case expressly made for that purpose which is fully enclosed by being zipped, snapped, buckled, tied, or otherwise fastened with no portion of the firearm exposed, and, as so enclosed, the firearm is contained in the trunk of the car with the trunk door closed and in the case of a bow, unless the same is completely encased or unstrung and, as so encased or unstrung, the bow is contained in the trunk of the car with the trunk door closed; provided, however, that if the vehicle has no trunk, the firearm or bow must be placed in the rearmost location in the vehicle. When artificial lights are used to take raccoon when treed with the aid of dogs *while on foot*, the rifles used to take raccoon shall not be of a larger caliber than .22 rim-fire, and shotguns so used shall only contain shells with shot no larger than No. 4. Artificial lights to take raccoon when treed with the aid of dogs *while on foot* shall be legal."

Page 6, line 13, strike "and 9" and insert "to 10"

Renumber the sections in sequence

Amend the title as follows:

Line 11, after "subdivision;" insert "100.29, Subdivision 10;"

S. F. No. 1621, which the committee recommends to pass with the following amendment offered by Mr. Anderson:

Page 6, line 1, strike "*This act*" and insert "*Section 1*"

Page 6, line 2, after "1979" insert "*and thereafter, and shall terminate for assessments levied in 1983 and payable in 1984*"

H. F. No. 1520, which the committee recommends to pass with the following amendment offered by Mr. Tennesen:

Amend H. F. No. 1520, as amended pursuant to Rule 49, adopted by the Senate February 27, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1886.)

Page 2, after line 12, insert

"Sec. 2. This act is effective the day following final enactment."

S. F. No. 1923, which the committee recommends to pass with the following amendment offered by Mr. Solon:

Page 2, after line 8, insert:

"Sec. 3. Subdivision 1. The Arrowhead regional development commission, notwithstanding any law to the contrary, may acquire, hold, and transfer real and personal property by purchase, lease, option to purchase, conveyance, gift, transfer or custodial control, or any other lawful means, for the primary purpose of office space for the commission.

Subd. 2. The Arrowhead regional development commission shall pay to each taxing authority within whose taxing jurisdiction its property is situated, in lieu of taxes on its property, a service fee equal to the amounts of the taxes which would be payable if its property were owned by a private person. For this purpose, the property of the commission shall be valued in the same manner and by the same procedure as the property of private persons."

Page 2, line 9, strike *"This act"* and insert *"Sections 1 and 2"*

Page 2, line 11, after the period insert *"Section 3 is effective the day following final enactment."*

Renumber the sections in sequence

Further, strike the title and insert:

"A bill for an act relating to Koochiching, Itasca, Aitkin, Carlton, St. Louis, Lake and Cook counties; regulating the St. Louis county courthouse building commission; granting powers to the Arrowhead regional development commission; requiring payment of a service fee for property of the commission; amending Laws 1971, Chapter 171, Section 1."

H. F. No. 2014, which the committee recommends to pass, subject to the following motion:

Mr. Kirchner moved that the amendment made to H. F. No. 2014 by the Committee on Rules and Administration in the report adopted March 9, 1978, pursuant to Rule 49, be stricken. The motion prevailed.

S. F. No. 1753 which the committee reports progress, subject to the following motion:

Mr. Strand moved to amend S. F. No. 1753 as follows:

Page 1, line 10, strike *"If a workers' "*

Page 1, line 11, strike *"compensation policy is procured"*

Page 1, line 19, reinstate the stricken language and strike the new language

Page 1, line 20, strike *"unless"* and insert *"if"*

Page 1, line 20, after "or" insert "*family farm*"

Page 1, line 21, reinstate the stricken language and strike the new language

Page 1, line 22, strike the new language

Page 1, line 22, strike "in writing"

Page 1, line 22, after "to" insert "come"

Page 2, strike line 1

Page 2, line 2, strike "or child"

Page 2, line 2, after "and" strike "the"

Page 2, line 3, strike "policy so states the election" and insert "*provide the insurance required thereunder*"

Page 2, line 5, after "or" insert "*family farm*"

The motion prevailed. So the amendment was adopted.

S. F. No. 1753 was then progressed.

H. F. No. 1858, which the committee recommends to pass with the following amendment offered by Mr. Strand:

Page 5, line 27, strike "and" and insert "or"

Page 19, line 16, strike "*applied for any*" and insert "*been granted a*"

Page 23, line 7, strike "*applied for any*" and insert "*been granted a*"

Page 31, line 11, strike "*applied for any*" and insert "*been granted a*"

S. F. No. 1 which the committee recommends to pass, subject to the following motions:

Mr. Luther moved to amend S. F. No. 1 as follows:

Strike everything after the enacting clause and insert:

"Section 1. [BEVERAGE CONTAINERS.] *Subdivision 1. As used in this section, the following terms have the meanings specified:*

(a) "*Retailer*" has the meaning given that term in section 297A.01, subdivision 10.

(b) "*Beer*" means and includes intoxicating malt liquor as defined in section 340.401, subdivision 2, and non-intoxicating malt liquor, as defined in section 340.001, subdivision 2.

(c) "*Beverage container*" means an individual, hermetically sealed, glass, metal or plastic bottle, can or jar filled with beer or carbonated soft drinks.

(d) "*Refillable beverage container*": A beverage container is

refillable if it is capable of being refilled at least five times and if the majority of beverage containers of identical size and construction filled with the same brand of beer or carbonated soft drinks are refilled at least five times for retail sale.

(e) "Non-refillable beverage container" means any beverage container other than a refillable beverage container.

Subd. 2. No retailer shall sell or offer for sale and consumption upon the premises of the retailer any beer or carbonated soft drink dispensed from non-refillable containers, except any brand of beer or carbonated soft drinks sold in a non-refillable container, but not sold in a refillable container, in this state prior to March 1, 1978, may be sold or offered for sale in nonrefillable containers until such time as that brand is sold or offered for sale in a refillable container in this state.

Subd. 3. A retailer who sells or offers for sale beer or carbonated soft drinks for off-premises consumption shall devote in the ordinary course of business an amount of display area of beverage in refillable containers substantially equal to or greater than the amount of display area of beverage in non-refillable containers.

Subd. 4. No retailer shall sell or offer for sale beer or carbonated soft drinks in non-refillable containers in less than case lots unless the retailer also sells or offers for sale beer or carbonated soft drinks in refillable containers in less than case lots.

Subd. 5. A retailer who sells or offers for sale beer or carbonated soft drinks for off-premises consumption, either in individual containers or in groups of containers as a packaged unit, shall display prominently on his premises the refund value of the empty beverage container, if any, and the retail price, excluding the refund value, of the filled beverage container.

Subd. 6. No person shall sell or offer for sale beer or carbonated soft drinks in non-refillable containers on any property owned or leased by the university of Minnesota, any community college, any state university, any public post-secondary vocational-technical school, any school district, any town, any statutory city, any home rule charter city, any county, or the state of Minnesota, including its departments, agencies, and other political subdivisions.

Subd. 7. No retailer shall sell or offer for sale within this state any carbonated soft drinks or beer contained or packaged in a rigid or semi-rigid non-refillable container at least 50 percent of which is in whole or in part plastic.

Subd. 8. Any person who violates any provision of this section is guilty of a misdemeanor. Each sale or offering in violation of this section shall be deemed a separate offense.

Sec. 2. [GENERAL PROVISIONS.] Subdivision 1. [STATE PLANNING AGENCY; ADMINISTRATION; RELATED RESEARCH.] The director of the state planning agency shall be responsible for the preparation of the coordinated work program

under subdivision 3 and for research studies and reports undertaken by the agency or by interagency agreement pursuant thereto. The state planning agency may contract with the pollution control agency or other appropriate state agencies for the performance of parts of the studies required under sections 4 and 5. The state planning agency shall summarize laws, programs, and practices in other states relating to solid and hazardous waste and toxic substances. The agency, in cooperation with other units and agencies of government, shall identify available federal funding for research contemplated by sections 2 to 6. The agency shall evaluate the law and government procedures, practices, and responsibilities for planning, locating, reviewing, and regulating solid and hazardous waste disposal and processing facilities and sites and for ensuring public education and involvement in such matters. The agency shall study and recommend means of coordinating federal, state, and local laws and regulations relating to solid and hazardous waste and toxic substances.

Subd. 2. [LEGISLATIVE COMMISSION.] A legislative commission on solid and hazardous waste shall be established pursuant to this subdivision. The legislative commission shall be established by April 15, 1978, and shall go out of existence by June 1, 1979.

The legislative commission shall be composed of five members of the house of representatives appointed by the speaker and five members of the senate appointed by the committee on committees. The chairman of the legislative commission shall be elected by its members. The joint science and technology staff of the legislature shall serve as staff to the legislative commission.

Subd. 3. [WORK PROGRAM.] By May 15, 1978 the state planning agency shall prepare a coordinated work program for projects under sections 4 and 5. The work program shall be prepared after consultation with the responsible agencies, and the joint science and technology staff of the legislature. The work program shall include provisions for review by the legislative commission of work in progress and agency reports.

Sec. 3. [REPORTS; PURPOSE; GENERAL CONTENT.] The responsible agencies shall submit their reports to the state planning agency by January 1, 1979. By March 1, 1979, the state planning agency shall present a report to the legislature. The state planning agency report to the legislature shall include the reports of the state planning agency and the other agencies; a general assessment and evaluation of the research program; and recommendations on the specific needs for further planning and research.

Sec. 4. [NONHAZARDOUS SOLID WASTE RESEARCH PROJECTS.] Subdivision 1. [ENERGY AGENCY.] The state planning agency shall contract with the energy agency to:

(a) Produce recommendations for relating decisions in the metropolitan area on resource recovery facilities to decisions on coal conversion, co-generation, and district heating;

(b) *Develop a model or method for relating decisions in the state on resource recovery facilities, the production of energy from sewage sludge and agricultural and timber residues, coal conversion, co-generation, and district heating; determine the availability of data necessary to apply the model in standard metropolitan statistical areas of the state.*

(c) *Develop criteria to assess the energy implications of components entering the solid waste stream, total energy consumption for resource recovery facilities, and other solid waste management-related systems.*

Subd. 2. [POLLUTION CONTROL AGENCY.] *The state planning agency shall contract with the pollution control agency to perform research studies directed to:*

(a) *Develop a profile of solid waste generation and disposal in the state in sufficient detail and reliability at least to identify the boundaries of existing wastesheds of sufficient volume and density to support resource recovery facilities;*

(b) *Assess the feasibility and effects of alternative methods for solid waste source reduction and for recovering and recycling resources from solid waste, including alternative separation and collection systems, coordinated marketing, satellite facilities and transfer stations, refuse derived fuel, ecofuel, and small resource recovery facilities;*

(c) *Identify land disposal sites of municipal solid waste which may threaten to contaminate groundwater or surface water.*

Subd. 3. [DEVELOPMENT OF A MODEL.] *The state planning agency, in cooperation with the pollution control agency, shall cooperate in the development of a model or method for evaluating proposals for resource recovery facilities and alternatives thereto, incorporating at least the following factors: (a) identification and analysis of markets for any products recovered from waste; (b) identification of the waste necessary for economic operation; (c) identification of risks, financial responsibility, and liability; (d) facility location and capacity; (e) alternative technologies; (f) environmental impact; (g) capital and operating costs; (h) financing alternatives and alternative allocations of costs; (i) legal and institutional limitations; (j) effects on collection and disposal practices and costs. The state planning agency shall have primary responsibility for examining clauses c, f, g, h, and i. The pollution control agency shall have primary responsibility for examining clauses a, b, d, e and j.*

Subd. 4. [STATE PLANNING AGENCY.] *The state planning agency shall:*

(a) *Produce recommendations on the nature and purposes of any state program of encouragement or assistance to resource recovery facilities;*

(b) *Produce recommendations for encouraging or requiring agencies of state, local, and regional government to reduce the*

amount of solid waste they generate and, wherever markets exist or may be developed, to separate and recover more recyclable waste at the point of generation;

(c) Produce recommendations for encouraging or requiring specific changes in the materials procurement practices and policies of agencies of state, local, and regional government which will serve to (i) ensure consideration of recyclability and (ii) develop and ensure government markets in the state for products made of recovered waste materials;

(d) Produce recommendations for encouraging or requiring markets and the development of markets for recovered materials;

(e) Produce recommendations for methods to reduce the volumes of solid waste generated, by encouraging reuse of products, reductions in material and energy used in products and increases in product lifetimes; and

(f) Examine whether a conflict exists between the goals of source reduction and resource recovery.

Sec. 5. [HAZARDOUS WASTES RESEARCH PROJECTS.]
Subdivision 1. [POLLUTION CONTROL AGENCY.] *The planning agency shall contract with the pollution control agency to perform research studies directed to:*

(a) Assess access to and cost of disposal and treatment processes at hazardous waste facilities located within and outside the state;

(b) Identify alternative methods and processes for reducing the generation of hazardous wastes, for separating and recovering or pretreating categories of hazardous wastes at the point of generation and for separating and recovering, treating, or disposing of categories of hazardous wastes at facilities separated from the point of generation;

(c) Identify hazardous waste land disposal sites which may threaten to contaminate groundwater or surface water;

(d) Produce recommendations for implementing and enforcing the proposed hazardous waste rules, including: (i) guidelines for evaluating the role and performance of state, regional, and local agencies in implementing and enforcing the rules and analyzing data; (ii) education, training, and technical assistance programs for generators of hazardous waste and for regulatory and enforcement officials; (iii) improvements in technical resources and procedures for data analysis;

(e) Summarize available information on the generation, processing, and disposal of hazardous waste and recommend any necessary data gathering devices supplementary to the proposed hazardous waste rules.

Subd. 2. [STATE PLANNING AGENCY.] *The state planning agency shall:*

(a) Assess the effect of existing and proposed federal and state law and regulations affecting the treatment and disposal of hazard-

ous wastes and toxic substances on: (i) the volume and types of hazardous waste and waste sludges generated in the state; and (ii) the control of toxic substances; and

(b) Produce recommendations on methods and institutional arrangements by which this state and surrounding states may develop the capacity to plan for and manage hazardous waste control problems cooperatively and share reciprocally the burdens of treatment and disposal of hazardous waste.

Subd. 3. [COOPERATIVE ASSESSMENT.] The state planning agency, in cooperation with the pollution control agency, shall cooperate in assessing the need for and means of developing hazardous waste treatment, processing, and disposal schemes and capabilities within the state, based on goals relating at least to the following: (a) technical feasibility; (b) alternative technologies; (c) anticipation of future technical developments; (d) capital and operating costs and allocation thereof; (e) availability of similar facilities outside the state; (f) volume and properties of the waste; (g) reclamation and reuse of materials and energy in the waste; (h) environmental impact; (i) siting and land use; (j) public education and participation; (k) operation and ownership; (l) liability and long-term care; and (m) transportation costs and safety. The state planning agency shall have primary responsibility for assessing clauses d, g, h, i, j, k, l and m. The pollution control agency shall have primary responsibility for assessing clauses a, b, c, e, and f.

Sec. 6. [HAZARDOUS WASTE FACILITY.] Site selection, design, acquisition, and construction for any hazardous waste facility by the metropolitan waste control commission under the authority of section 473.516 or under a federal environmental protection agency demonstration grant to the pollution control agency shall not proceed further except after completion of the reports on hazardous wastes required by this act, and after reevaluation of site selection criteria and associated environmental and design studies in light of the report required by section 3 of this act.

Sec. 7. Minnesota Statutes 1976, Section 116F.06, Subdivision 3, is amended to read:

Subd. 3. The agency shall adopt and may amend or rescind ~~guidelines~~ rules identifying the types of new or revised containers and packaging that are subject to its review after notice and hearing as provided in section 15.0412, subdivision 4. Any person may submit to the agency a sample of a package or container for agency review. The agency shall review the sample, and may require the person to furnish such additional samples and information as may be necessary for it to determine the environmental or solid waste disposal problems that the container or packaging would cause. Except as may be necessary in connection with any public hearing, the agency shall keep the samples and information confidential if the person submitting them certifies that disclosure of said samples and information would affect the competitive position of the person. If the agency fails to issue an

order prohibiting sale of a package or container within 120 days after the sample was submitted, the agency shall not prohibit it thereafter. The agency may, however, for good cause, order the 120 day period to be extended for an additional period not to exceed 30 days.

Sec. 8. [APPROPRIATIONS.] *Subdivision 1. There is appropriated from the general fund to the state planning agency the sum of \$375,000 for expenditure pursuant to sections 2 to 5. Of this amount, \$50,000 shall be available to the energy agency; \$100,000 shall be available to the pollution control agency; and \$200,000 shall be available to the state planning agency for general administration and research or research contracts.*

Subd. 2. There is appropriated from the general fund to the legislative coordinating commission the sum of \$25,000 for expenditure by the joint science and technology project for staff and consultant services necessary to advise the legislative commission and the agencies.

Subd. 3. The appropriations in this section shall be available until June 30, 1979. The complements of the following agencies are increased by the number of positions listed below. The positions are in the unclassified service and their continuation is contingent upon the availability of money from this appropriation.

state planning—4

pollution control—4

energy—2

Sec. 9. [EFFECTIVE DATE.] *Section 1 of this act is effective August 1, 1978. Sections 2 to 8 are effective the day following final enactment."*

Further, delete the title and insert:

"A bill for an act relating to solid and hazardous wastes and toxic substances; prohibiting certain retail practices; providing for technology assessments and related research directed to certain goals; requiring studies and reports by the state planning agency, the pollution control agency, and the energy agency; establishing a temporary legislative commission on solid and hazardous waste; providing penalties; appropriating money; amending Minnesota Statutes 1976, Section 116F.06, Subdivision 3."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 26 and nays 32, as follows:

Those who voted in the affirmative were:

Benedict	Dunn	Lewis	Olhoff	Stokowski
Bernhagen	Hughes	Luther	Perpich	Strand
Chmielewski	Johnson	Menning	Schaaf	Tennessee
Coleman	Keefe, S.	Merriam	Sieloff	Ulland, J.
Davies	Knoll	Nelson	Spear	Willet
Dieterich				

Those who voted in the negative were:

Ashbach	Gearty	Laufenburger	Pillsbury	Solon
Bang	Gunderson	Lessard	Purfeerst	Staples
Borden	Hanson	Ogdahl	Renneke	Stumpf
Brataas	Kirchner	Olson	Schmitz	Ueland, A.
Chenoweth	Kleinbaum	Penny	Schrom	Vega
Engler	Knaak	Peterson	Setzepfandt	Wegener
Frederick	Knutson			

The motion did not prevail. So the amendment was not adopted.

Mr. Borden moved to amend S. F. No. 1 as follows:

Page 2, strike lines 4 to 11 and insert

“(c) “Beverage container” means an individual, hermetically sealed, glass, metal or plastic bottle, can or jar filled with beer or carbonated soft drinks.

(d) “Refillable beverage container”: A beverage container is refillable if it is capable of being refilled at least five times and if the majority of beverage containers of identical size and construction filled with the same brand of beer or carbonated soft drinks are refilled at least five times for retail sale.

(e) “Non-refillable beverage container” means any beverage container other than a refillable beverage container.”

Page 2, line 17, strike “, which” and insert “for any retailer with annual gross sales of less than \$300,000 and \$300 for any retailer with annual gross sales of more than \$300,000. The”

Page 2, line 20, after the period insert “The commissioner of revenue shall adopt rules pursuant to chapter 15 to administer and collect the license fee required by this subdivision.”

Strike sections 2 and 3

Page 4, line 26, strike “4” and insert “2” and strike “15” and insert “10”

Page 5, line 18, after “motorcycles” insert “as defined in section 169.01”

Page 7, lines 1 and 3, strike “5” and insert “3”

Page 7, lines 16, 18 and 19, strike “4” and insert “2” and strike “9” and insert “5”

Page 7, line 22, strike “4” and insert “2”

Page 7, line 23, strike “9” and insert “5”

Page 7, line 28, strike “4” and insert “2” and strike “9” and insert “5”

Page 7, line 32, strike “4” and insert “2”

Page 8, lines 12, 18 and 21, strike “4” and insert “2” and strike “15” and insert “10”

Strike Section 16

Page 11, after line 22, insert

"Sec. 12. [GENERAL PROVISIONS.] *Subdivision 1. [STATE PLANNING AGENCY; ADMINISTRATION; RELATED RESEARCH.] The director of the state planning agency shall be responsible for the preparation of the coordinated work program under subdivision 3 and for research studies and reports undertaken by the agency or by interagency agreement pursuant thereto. The state planning agency may contract with the pollution control agency or other appropriate state agencies for the performance of parts of the studies required under sections 17 and 18. The state planning agency shall summarize laws, programs, and practices in other states relating to solid and hazardous waste and toxic substances. The agency, in cooperation with other units and agencies of government, shall identify available federal funding for research contemplated by sections 15 to 19. The agency shall evaluate the law and government procedures, practices, and responsibilities for planning, locating, reviewing, and regulating solid and hazardous waste disposal and processing facilities and sites and for ensuring public education and involvement in such matters. The agency shall study and recommend means of coordinating federal, state, and local laws and regulations relating to solid and hazardous waste and toxic substances.*

Subd. 2. [LEGISLATIVE COMMISSION.] A legislative commission on solid and hazardous waste shall be established pursuant to this subdivision. The legislative commission shall be established by April 15, 1978, and shall go out of existence by June 1, 1979.

The legislative commission shall be composed of five members of the house of representatives appointed by the speaker and five members of the senate appointed by the committee on committees. The chairman of the legislative commission shall be elected by its members. The joint science and technology staff of the legislature shall serve as staff to the legislative commission.

Subd. 3. [WORK PROGRAM.] By May 15, 1978 the state planning agency shall prepare a coordinated work program for projects under sections 17 and 18. The work program shall be prepared after consultation with the responsible agencies, and the joint science and technology staff of the legislature. The work program shall include provisions for review by the legislative commission of work in progress and agency reports.

Sec. 13. [REPORTS; PURPOSE; GENERAL CONTENT.] *The responsible agencies shall submit their reports to the state planning agency by January 1, 1979. By March 1, 1979, the state planning agency shall present a report to the legislature. The state planning agency report to the legislature shall include the reports of the state planning agency and the other agencies; a general assessment and evaluation of the research program; and recommendations on the specific needs for further planning and research.*

Sec. 14. [NONHAZARDOUS SOLID WASTE RESEARCH PROJECTS.] *Subdivision 1. [ENERGY AGENCY.] The state planning agency shall contract with the energy agency to:*

(a) Produce recommendations for relating decisions in the metropolitan area on resource recovery facilities to decisions on coal conversion, co-generation, and district heating;

(b) Develop a model or method for relating decisions in the state on resource recovery facilities, the production of energy from sewage sludge and agricultural and timber residues, coal conversion, co-generation, and district heating; determine the availability of data necessary to apply the model in standard metropolitan statistical areas of the state.

(c) Develop criteria to assess the energy implications of components entering the solid waste stream, total energy consumption for resource recovery facilities, and other solid waste management-related systems.

Subd. 2. [POLLUTION CONTROL AGENCY.] *The state planning agency shall contract with the pollution control agency to perform research studies directed to:*

(a) Develop a profile of solid waste generation and disposal in the state in sufficient detail and reliability at least to identify the boundaries of existing wastesheds of sufficient volume and density to support resource recovery facilities;

(b) Assess the feasibility and effects of alternative methods for solid waste source reduction and for recovering and recycling resources from solid waste, including alternative separation and collection systems, coordinated marketing, satellite facilities and transfer stations, refuse derived fuel, ecofuel, and small resource recovery facilities;

(c) Identify land disposal sites of municipal solid waste which may threaten to contaminate groundwater or surface water.

Subd. 3. [DEVELOPMENT OF A MODEL.] *The state planning agency, in cooperation with the pollution control agency, shall cooperate in the development of a model or method for evaluating proposals for resource recovery facilities and alternatives thereto, incorporating at least the following factors (a) identification and analysis of markets for any products recovered from waste; (b) identification of the waste necessary for economic operation; (c) identification of risks, financial responsibility, and liability; (d) facility location and capacity; (e) alternative technologies; (f) environmental impact; (g) capital and operating costs; (h) financing alternatives and alternative allocations of costs; (i) legal and institutional limitations; (j) effects on collection and disposal practices and costs. The state planning agency shall have primary responsibility for examining clauses c, f, g, h, and i. The pollution control agency shall have primary responsibility for examining clauses a, b, d, e and j.*

Subd. 4. [STATE PLANNING AGENCY.] *The state planning agency shall:*

(a) Produce recommendations on the nature and purposes of any state program of encouragement or assistance to resource recovery facilities;

(b) Produce recommendations for encouraging or requiring agencies of state, local, and regional government to reduce the amount of solid waste they generate and, wherever markets exist or may be developed, to separate and recover more recyclable waste at the point of generation;

(c) Produce recommendations for encouraging or requiring specific changes in the materials procurement practices and policies of agencies of state, local, and regional government which will serve to (i) ensure consideration of recyclability and (ii) develop and ensure government markets in the state for products made of recovered waste materials;

(d) Produce recommendations for encouraging or requiring markets and the development of markets for recovered materials;

(e) Produce recommendations for methods to reduce the volumes of solid waste generated, by encouraging reuse of products, reductions in material and energy used in products and increases in product lifetimes; and

(f) Examine whether a conflict exists between the goals of source reduction and resource recovery.

Sec. 15. [HAZARDOUS WASTES RESEARCH PROJECTS.]
Subdivision 1. [POLLUTION CONTROL AGENCY.] The planning agency shall contract with the pollution control agency to perform research studies directed to:

(a) Assess access to and cost of disposal and treatment processes at hazardous waste facilities located within and outside the state;

(b) Identify alternative methods and processes for reducing the generation of hazardous wastes, for separating and recovering or pretreating categories of hazardous wastes at the point of generation and for separating and recovering, treating, or disposing of categories of hazardous wastes at facilities separated from the point of generation;

(c) Identify hazardous waste land disposal sites which may threaten to contaminate groundwater or surface water;

(d) Produce recommendations for implementing and enforcing the proposed hazardous waste rules, including: (i) guidelines for evaluating the role and performance of state, regional, and local agencies in implementing and enforcing the rules and analyzing data; (ii) education, training, and technical assistance programs for generators of hazardous waste and for regulatory and enforcement officials; (iii) improvements in technical resources and procedures for data analysis;

(e) Summarize available information on the generation, processing, and disposal of hazardous waste and recommend any nec-

essary data gathering devices supplementary to the proposed hazardous waste rules.

Subd. 2. [STATE PLANNING AGENCY.] The state planning agency shall:

(a) Assess the effect of existing and proposed federal and state law and regulations affecting the treatment and disposal of hazardous wastes and toxic substances on: (i) the volume and types of hazardous waste and waste sludges generated in the state; and (ii) the control of toxic substances; and

(b) Produce recommendations on methods and institutional arrangements by which this state and surrounding states may develop the capacity to plan for and manage hazardous waste control problems cooperatively and share reciprocally the burdens of treatment and disposal of hazardous waste.

Subd. 3. [COOPERATIVE ASSESSMENT.] The state planning agency, in cooperation with the pollution control agency, shall cooperate in assessing the need for and means of developing hazardous waste treatment, processing, and disposal schemes and capabilities within the state, based on goals relating at least to the following: (a) technical feasibility; (b) alternative technologies; (c) anticipation of future technical developments; (d) capital and operating costs and allocation thereof; (e) availability of similar facilities outside the state; (f) volume and properties of the waste; (g) reclamation and reuse of materials and energy in the waste; (h) environmental impact; (i) siting and land use; (j) public education and participation; (k) operation and ownership; (l) liability and long-term care; and (m) transportation costs and safety. The state planning agency shall have primary responsibility for assessing clauses d, g, h, i, j, k, l and m. The pollution control agency shall have primary responsibility for assessing clauses a, b, c, e, and f.

Sec. 16. [HAZARDOUS WASTE FACILITY.] The acquisition of land for and construction of any hazardous waste facility by the metropolitan waste control commission under the authority of section 473.516 or under a federal environmental protection agency demonstration grant to the pollution control agency shall not be commenced prior to completion of the legislative report of the state planning agency required by section 16 of this act. Analysis of a proposed site or sites and associated environmental and design studies may proceed; provided, however, that any such analysis and study undertaken before the completion of the legislative report by the state planning agency required by this act shall be reevaluated in light of that report."

Strike Sections 21 to 25 and 27

Page 16, line 1, strike "4" and insert "2" and strike "15" and insert "10"

Strike Sections 29 to 35

Page 19, line 26, strike "13" and insert "18"

Page 19, line 27, strike "\$350,000" and insert "\$300,000"

Page 19, strike lines 31 and 32

Page 20, strike lines 1 to 8

Page 20, line 9, strike "3" and insert "2"

Page 20, line 10, strike "\$15,000" and insert "\$10,000"

Page 20, line 11, strike "the litter license fee"

Page 20, line 12, strike "imposed by section 16 and"

Page 20, after line 13, insert

"Subd. 3. There is appropriated from the general fund to the state planning agency the sum of \$375,000 for expenditure pursuant to sections 15 to 18. Of this amount, \$50,000 shall be available to the energy agency; \$100,000 shall be available to the pollution control agency; and \$200,000 shall be available to the state planning agency for general administration and research or research contracts.

Subd. 4. There is appropriated from the general fund to the legislative coordinating commission the sum of \$25,000 for expenditure by the joint science and technology project for staff and consultant services necessary to advise the legislative commission and the agencies.

Subd. 5. The appropriations in this section shall be available until June 30, 1979. The complements of the following agencies are increased by the number of positions listed below. The positions are in the unclassified service and their continuation is contingent upon the availability of money from the appropriation.

state planning - 4

pollution control - 4

energy - 2"

Page 20, line 15, strike "; and Laws 1977,"

Page 20, line 16, strike "Chapter 455, Section 96,"

Page 20, line 17, strike "Section 17" and insert "Sections 9 to 18" and strike "is" and insert "are"

Page 20, line 19, strike "18" and insert "17" , and strike "38" and insert "24"

Renumber the sections in sequence

Amend the title as follows:

Line 2, after "solid" insert "and hazardous" and strike "pollution" and insert "and toxic substances"

Strike lines 5 to 7 and 12

Line 13, strike "manufacturers and importers;" and insert "providing for technology assessments and related research

directed to certain goals; requiring studies and reports by the state planning agency, the pollution control agency, and the energy agency; establishing a temporary legislative commission on solid and hazardous waste; delaying temporarily the acquisition of land for and construction of a hazardous waste facility in the metropolitan area;”

Strike lines 19 and 20

Line 21, strike “116F.05, Subdivision 2;”

Line 22, strike “462.384, by adding”

Strike line 23

Line 25, strike “116F.22, Subdivision 1;”

Line 27, strike “; and Laws 1977, Chapter 455,”

Line 28, strike “Section 96”

The motion prevailed. So the amendment was adopted.

Mr. Tennesen moved to amend S. F. No. 1 as follows:

Page 7, line 2, strike everything after the period

Page 7, strike lines 3 to 9

The motion prevailed. So the amendment was adopted.

Mr. Dunn moved to amend the Borden amendment to S. F. No. 1 as follows:

Page 9, line 7 of the Borden amendment, strike “and 27”

Amend the title amendment as follows:

Page 11, strike line 4

The question was taken on the adoption of the amendment to the Borden amendment.

The roll was called, and there were yeas 32 and nays 24, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Laufenburger	Pillsbury	Solon
Bang	Gearty	Lessard	Purfeerst	Strand
Bernhagen	Gunderson	Menning	Renneke	Ueland, A.
Brataas	Jensen	Nelson	Schmitz	Wegener
Davies	Kirchner	Ogdahl	Schrom	
Dunn	Knaak	Olson	Setzepfandt	
Engler	Knutson	Peterson	Sieloff	

Those who voted in the negative were:

Benedict	Hughes	Lewis	Schaaf	Tennesen
Borden	Johnson	Luther	Spear	Ulland, J.
Chenoweth	Keefe, S.	Merriam	Staples	Vega
Coleman	Kleinbaum	Olhoft	Stokowski	Willet
Dieterich	Knoll	Perpich	Stumpf	

The motion prevailed. So the amendment to the Borden amendment was adopted.

Mr. Merriam moved to amend S. F. No. 1 as follows:

Page 6, strike section 6

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Line 10, strike "bags and"

Line 11, strike "vehicles and"

The motion prevailed. So the amendment was adopted.

Mr. Merriam then moved to amend S. F. No. 1 as follows:

Page 6, strike section 7

Page 6, line 32, strike "Subdivision 1."

Page 7, strike lines 10 to 14

Pages 7 and 8, strike section 12

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Line 10, strike "requiring litter"

Line 11, strike "receptacles in public places;"

The motion prevailed. So the amendment was adopted.

Mr. Olhoft moved to amend S. F. No. 1 as follows:

Page 2, strike lines 21 to 29 and insert:

"Subd. 3. A retailer who sells or offers for sale beer or carbonated soft drinks for off-premises consumption shall devote in the ordinary course of business an amount of display area of beverage in refillable containers substantially equal to or greater than the amount of display area of beverage in non-refillable containers."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 13 and nays 40, as follows:

Those who voted in the affirmative were:

Benedict
Dieterich
Dunn

Keefe, S.
Luther
Merriam

Olhoft
Perpich
Schaaf

Spear
Strand

Ulland, J.
Willet

Those who voted in the negative were:

Bang	Gearty	Knutson	Penny	Sieloff
Bernhagen	Gunderson	Laufenburger	Peterson	Staples
Borden	Hughes	Lessard	Pillsbury	Stokowski
Brataas	Jensen	Lewis	Purfeerst	Stumpf
Chenoweth	Johnson	Menning	Renneke	Tennessee
Coleman	Kirchner	Nelson	Schmitz	Ueland, A.
Davies	Kleinbaum	Ogdahl	Schrom	Vega
Frederick	Knoll	Olson	Setzepfandt	Wegener

The motion did not prevail. So the amendment was not adopted.

The question was taken on the recommendation to pass S. F. No. 1.

The roll was called, and there were yeas 49 and nays 7, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Knutson	Penny	Solon
Bang	Gearty	Laufenburger	Perpich	Staples
Benedict	Gunderson	Lessard	Peterson	Stokowski
Bernhagen	Hughes	Lewis	Purfeerst	Stumpf
Borden	Johnson	Luther	Renneke	Tennessee
Brataas	Keefe, S.	Menning	Schaaf	Ueland, A.
Chenoweth	Kirchner	Merriam	Schmitz	Ulland, J.
Coleman	Kleinbaum	Nelson	Schrom	Vega
Davies	Knaak	Ogdahl	Setzepfandt	Wegener
Dunn	Knoll	Olson	Sieloff	

Those who voted in the negative were:

Dieterich	Jensen	Pillsbury	Spear	Strand
Frederick	Olhoff			

The motion prevailed. So S. F. No. 1 was recommended to pass.

On motion of Mr. Coleman, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

Without objection, the Senate reverted to the Order of Business of Messages from the House, First Reading of House Bills, Reports of Committees and Second Reading of House Bills.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned:

S. F. Nos. 1116 and 1194.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned March 11, 1978

Mr. President:

I have the honor to announce the passage by the House of the

following House Files, herewith transmitted: H. F. Nos. 1575, 2196, 2197, 2377, 1915, 46, 2254, 2299, 1317, 1823, 2273 and 1246.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 11, 1978

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1885:

H. F. No. 1885: A bill for an act relating to education; providing for aids to education, tax levies, and the distribution of tax revenues; granting certain powers and duties to teachers, school boards, school districts, county auditors, the commissioner of education, the commissioner of finance, and the state board of education; creating a legislative school finance study commission; revising the provisions governing effective date, levy limitations, and employee relations, in case of school district reorganization; allowing the experimental pairing of certain districts; limiting the liability of school bus contractors; increasing foundation aid, special education aid, capital expenditure aid and the capital expenditure levy limitation; providing a funding method for programs of secondary vocational education for handicapped children; increasing the reinstatement period for teachers on unrequested leave of absence; providing state funding for the employer's share of retirement contributions for teachers on extended leaves of absence; prohibiting wage reopening clauses in teachers' contracts; authorizing certain expenditures; transferring certain appropriated funds; appropriating money; amending Minnesota Statutes 1976, Sections 6.62, Subdivision 1; 121.904, Subdivision 7, and by adding a subdivision; 122.22, Subdivision 9, and by adding a subdivision; 122.23, Subdivisions 13, 15, and 18; 122.46, Subdivision 2; 123.37, Subdivision 1b; 124.17, Subdivision 3; 124.20; 124.212, by adding subdivisions; 124.74; 124.76; 125.12, Subdivisions 6a and 6b; 126.12; 127.29, Subdivision 1; 128A.02, by adding subdivisions; 134.03; 179.70, Subdivision 1; 275.125, Subdivisions 15, 16 and 18; 475.60, Subdivision 2; Chapter 122, by adding sections; Chapter 124, by adding a section; Minnesota Statutes, 1977 Supplement, Sections 121.912, Subdivision 1; 122.85, Subdivision 1; 124.17, Subdivisions 1 and 2; 124.19, Subdivision 1; 124.212, Subdivisions 5a, 7b and 8a; 124.213, Subdivisions 1 and 2; 124.222, Subdivision 6; 124.245, Subdivisions 1 and 2, and by adding a subdivision; 124.32, Subdivisions 1, 1a, 1b, 5, and by adding a subdivision; 124.38, Subdivision 7; 124.562, Subdivision 1; 124.572, Subdivision 2; 124.573, Subdivision 2; 125.60, Subdivisions 2 and 3, and by adding a subdivision; 125.61, Subdivisions 1, 2, 3, 4, 6, and by adding a subdivision; 176.011, Subdivision 9; 275.07; 275.124; 275.125, Subdivisions 9, and 11a; 354.094, Subdivisions 1 and 4; 354.66, Subdivisions 1 and 9; 354A.091, Subdivisions 1 and 4; and 354A.22, Subdivisions 1 and 9; repealing Minnesota Statutes 1976, Sections 120.07; 122.53; 124.02; Minnesota Statutes, 1977 Supplement, Sections 125.61,

Subdivision 5; 128A.06; and Laws 1977, Chapter 447, Article IX, Section 8.

And the House respectfully requests that a Conference Committee of five members be appointed thereon.

Eken, Johnson, Berg, McEachern and Knickerbocker have been appointed as such committee on the part of the House.

House File No. 1885 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted March 11, 1978

Mr. Merriam moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1885, and that a Conference Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H. F. No. 1575: A bill for an act relating to agriculture; grain inspection; weighing, sampling and analysis; appropriating money; amending Minnesota Statutes 1976, Sections 17B.03, Subdivision 1; 17B.04, Subdivision 1; and 17B.13.

Referred to the Committee on Finance.

H. F. No. 2196: A bill for an act relating to claims against the state; appropriating money for the payment thereof.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 2105 now on General Orders.

H. F. No. 2197: A bill for an act relating to the organization and operation of state government; the payment of claims against the state and its employees; amending Minnesota Statutes 1976, Sections 3.732, Subdivision 1; and 3.736, Subdivision 9, and by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1954 now on General Orders.

H. F. No. 2377: A bill for an act relating to the town of White, St. Louis county; authorizing the board of supervisors to set the compensation of the town assessor; amending Laws 1973, Chapter 530, Section 1; repealing Laws 1959, Chapter 314, Section 1.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 2251 now on General Orders.

H. F. No. 1915: A bill for an act relating to taxation; providing that all orders relating to valuation of property for ad valorem taxes be issued on or before November 15; authorizing the commissioner of revenue to provide new income tax tables; defining the deduction for tuition and transportation expense in computing income tax; providing a seven year carryforward for farm losses; limiting the deduction for charitable contributions; authorizing the commissioner to require a copy of computations used to compute federal income tax; allowing spouses to file combined returns even if one is a nonresident; requiring employers to file a withholding application; providing property tax relief benefits for persons becoming disabled before June 1; defining the acreage eligible for homestead exemption for inheritance tax purposes; changing gift tax rates and credits for certain donees; changing interest rates on certain gift tax refunds; altering classification of alcoholic beverages for tax purposes; eliminating inheritance tax receipts; repealing the deduction for alimony; altering the method of computing metropolitan council tax levies; amending Minnesota Statutes 1976, Sections 270.12, Subdivision 3; 290.09, Subdivision 22; 290.37, Subdivision 3; 290.39, Subdivision 2, and by adding a subdivision; 290.92, by adding a subdivision; 290A.04, Subdivision 1; 291.05; 292.07, Subdivisions 3 and 5; 292.125; 340.47, Subdivision 1; 473.249, Subdivisions 1 and 2; and Minnesota Statutes, 1977 Supplement, Sections 290.09, Subdivision 29; 290.21, Subdivision 3; 290A.04, Subdivision 2b; 340.47, Subdivision 1a; repealing Minnesota Statutes 1976, Section 291.13, Subdivision 2; and Minnesota Statutes, 1977 Supplement, Section 290.09, Subdivision 14.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1930 now on General Orders.

H. F. No. 46: A bill for an act relating to taxation; property tax; exempting certain energy systems; amending Minnesota Statutes 1976, Section 273.11, Subdivision 1, and by adding a subdivision.

Referred to the Committee on Energy and Housing.

H. F. No. 2254: A bill for an act relating to motor vehicles; providing for handicapped license plates on passenger vehicles; establishing motorized bicycle operator permit fees; prohibiting operation of motor vehicles during periods of license cancellation, suspension or revocation; removing certain restrictions relating to issuance of a limited license; amending Minnesota Statutes 1976, Sections 171.20, Subdivision 2; 171.24; and 171.30, Subdivision 1; and Minnesota Statutes, 1977 Supplement, Sections 168.-021, Subdivision 1; and 171.02, Subdivision 3.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1777 now on General Orders.

H. F. No. 2299: A bill for an act relating to highways; county state-aid highway system; allocation of apportionments; authorizing money credited to the municipal account to be used on

certain county state-aid highways; amending Minnesota Statutes 1976, Section 162.08, Subdivision 4.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 2117 now on General Orders.

H. F. No. 1317: A bill for an act relating to public welfare; neglected children; defining and providing procedures for termination of parental rights as to neglected children in foster care; amending Minnesota Statutes 1976, Sections 259.29; 260.015, Subdivision 10; 260.181, Subdivision 3; and 260.221.

Referred to the Committee on Judiciary.

H. F. No. 1823: A bill for an act relating to public health; requiring certain immunizations for students; amending Minnesota Statutes 1976, Section 123.70.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1733 now on General Orders.

H. F. No. 2273: A bill for an act relating to veterans; commissioner of veterans affairs; providing for appeals from and enforcement of his decisions; amending Minnesota Statutes 1976, Section 197.481, Subdivision 6, and by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 2047 now on General Orders.

H. F. No. 1246: A bill for an act relating to charitable trusts; regulating the solicitation of charitable funds; clarifying and revising registration, filing and reporting requirements; coordinating charitable solicitations with general trust provisions; defining terms; amending Minnesota Statutes 1976, Sections 309.50, Subdivisions 3, 4, and 10, and by adding subdivisions; 309.515, Subdivision 1; 309.52, Subdivisions 1a, 4, and 5; 309.53, Subdivisions 1, 1a, 3, and 4; 309.555; 309.56, Subdivision 1; 501.72; 501.74; 501.75; 501.76; 501.77; 501.78, Subdivisions 1, 2 and 4; 501.79, Subdivisions 2 and 5; and 501.81; and Chapters 309, by adding sections; and 525, by adding a section; repealing Minnesota Statutes 1976, Sections 309.52, Subdivision 6; and 501.79, Subdivision 3.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1464.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk with the exception of the report on H. F. No. 2348, be now adopted. The motion prevailed.

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred

H. F. No. 1910: A bill for an act relating to Itasca county; authorizing the exchange of certain riparian tax forfeited land for certain privately owned non-riparian land.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was referred

H. F. No. 2348: A bill for an act relating to highways; allowing private landowners to install drainage tiles in highway right-of-way; amending Minnesota Statutes 1976, Section 160.20, by adding a subdivision.

Reports the same back with the recommendation that the bill do pass. Mr. Willet questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

H. F. No. 1403: A bill for an act relating to retirement; providing for service pensions of the Spring Lake Park firefighter's relief association.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

H. F. No. 2219: A bill for an act relating to the city of Eagan; volunteer firefighter's service pensions; amending Laws 1975, Chapter 43, Section 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

H. F. No. 2332: A bill for an act relating to retirement; local police, salaried firefighters and volunteer firefighters relief associations; specifying allowable administrative expenses; amending Minnesota Statutes 1976, Sections 69.40; 423.32; 423.38; 423.51; 423.808; 424.16; and 424.31; and Laws 1974, Chapter 382, Section 4, Subdivision 3.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

H. F. No. 1767: A bill for an act relating to the city of Anoka;

fire department relief association benefits; amending Laws 1971, Chapter 184, Section 1, Subdivisions 2, 3, 4, 5 and 6, as amended; and Section 2, Subdivision 2, as amended.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

H. F. No. 1663: A bill for an act relating to retirement; authorizing a combined service annuity and the purchase of prior service credit for certain university employees.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

H. F. No. 2155: A bill for an act relating to retirement; validating certain administrative expenses from the special fund of the Austin firefighter's relief association.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

H. F. No. 1900: A bill for an act relating to the city of Mound; firefighters' service pensions; amending Laws 1973, Chapter 175, Section 1, as amended.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

H. F. No. 2330: A bill for an act relating to retirement; consolidation of the police relief association of the city of Thief River Falls into the public employees police and fire fund.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

H. F. No. 1866: A bill for an act relating to the firefighters' relief association of the city of Karlstad; computation of years of service for volunteer firefighters.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

H. F. No. 1781: A bill for an act relating to the city of Maplewood; authorizing the payment of lump sum service pensions by the Maplewood firefighters relief association.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

H. F. No. 2278: A bill for an act relating to the city of Brooklyn Center; firefighter's relief association; amending Laws 1967, Chapter 815, Sections 1; 2; 3; 4; 5; 7; and 8, Subdivision 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

H. F. No. 2279: A bill for an act relating to the city of Brooklyn Center; police membership in public employees police and fire fund; repealing Laws 1967, Chapter 736.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

H. F. No. 2228: A bill for an act relating to retirement; authorizing an annuity for the surviving spouse of a certain deceased former member of the public employees retirement association.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

H. F. No. 2224: A bill for an act relating to the city of Nashwauk; police relief pensions and widows benefits; officers of association; amending Laws 1943, Chapter 196, Section 4, as amended; and 8.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

H. F. No. 2282: A bill for an act relating to the city of Plymouth; firefighter's relief association benefits.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Wegener from the Committee on Local Government, to which was referred

H. F. No. 2049: A bill for an act relating to local units of government; removing certain restrictions on contracts affecting the financial interests of public officers; amending Minnesota Statutes 1976, Section 471.89, Subdivisions 2 and 3; and Minnesota Statutes, 1977 Supplement, Section 471.88, Subdivision 5.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Wegener from the Committee on Local Government, to which was referred

H. F. No. 933: A bill for an act relating to Ramsey county; amending the Ramsey county code by rearranging certain provisions therein relating to welfare and by deleting obsolete provisions therein relating to welfare; amending Laws 1974, Chapter 435, Sections 1.0204 and 3.13.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

H. F. No. 2025: A bill for an act relating to the city of Chisholm; police and firemen's relief associations; reversion of funds and bond of treasurer.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was referred

H. F. No. 2111: A bill for an act relating to aeronautics; providing for reimbursement for services; changing the permitted number of certain types of airports; permitting municipalities flexibility in airport acquisition; amending Minnesota Statutes 1976, Sections 360.015, Subdivision 7; 360.032, by adding a subdivision; and 360.305, Subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 11, strike "*acquiring or*"

Page 2, line 13, strike "*from*" and insert "*which are located at*"

Amend the title as follows:

Page 1, line 5, strike "*flexibility in airport acquisition*" and insert "*to assist the relocation of airport facilities*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H. F. No. 2080: A bill for an act relating to juveniles; providing procedures regulating the detention of certain juveniles; amending Minnesota Statutes 1976, Section 260.185, Subdivision 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H. F. No. 1822: A bill for an act relating to eminent domain; requiring that prepayment penalties be treated as a separate item of damages; amending Minnesota Statutes 1976, Chapter 117, by adding a section.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H. F. No. 1598: A bill for an act relating to uses and trusts; providing for the application to and limitation of certain general trust statutes in relation to industrial revenue bonds; amending Minnesota Statutes 1976, Section 501.37; and Minnesota Statutes, 1977 Supplement, Section 501.34.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H. F. No. 2432: A bill for an act relating to Washington county; providing for the appointment and compensation of probation officers.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H. F. No. 1884: A bill for an act relating to highway traffic regulations; prohibiting passing a school bus when it is stopped and is displaying stop signals; providing penalties; amending Minnesota Statutes 1976, Section 169.44, Subdivision 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H. F. No. 1973: A bill for an act relating to juveniles; providing procedures regulating the detention of juveniles; amending Minnesota Statutes 1976, Section 260.173; and Minnesota Statutes, 1977 Supplement, Section 260.171, Subdivision 2.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was referred

H. F. No. 2192: A bill for an act relating to transportation; establishing a rail user loan guarantee program; creating a rail user loan guarantee account; prescribing powers and duties of the commissioner of transportation; appropriating money; amending Minnesota Statutes 1976, Sections 362A.01, Subdivision 2; and 474.02, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 7, strike "and" and insert "or"

Page 2, line 20, after "and" insert a comma

Page 2, line 24, strike "To be" and insert "A loan is"

Page 2, line 25, after "section" insert "under the following conditions"

Page 2, line 26, strike "A" and insert "The"

Page 3, line 14, before "Within" insert "Except as provided in subdivision 5, the provisions of this subdivision shall apply upon default."

Page 3, line 25, strike ", and the"

Page 3, strike line 26

Page 3, line 27, strike "insurance" and insert a period

Page 3, line 31, before the period insert ", the commissioner shall pay to the lender an amount equal to the outstanding unpaid principal indebtedness at the time of default less ten percent, plus interest at six percent per annum from the date of default"

Page 4, line 3, strike "proceeds of the"

Page 4, line 3, strike "were supplied" and insert "money is obtained"

Page 4, line 4, strike "lender's" and insert "lender through the"

Page 4, line 4, after "chapter" insert "362A or chapter"

Page 4, line 5, strike "following procedures upon default" and insert "provisions of this subdivision"

Page 4, line 5, strike the colon and insert "upon default."

Page 4, line 13, strike "Upon" and insert "Within ten days of the"

Page 4, line 17, strike "within ten days"

Page 4, lines 22 to 27, strike subdivision 6

Page 4, line 28, strike "7" and insert "6"

Page 4, line 32, strike "Moneys" and insert "Money"

Page 5, line 20, strike "EMERGENCY" and insert "TEMPORARY"

Page 6, after line 4, insert

"Sec. 9. Minnesota Statutes 1976, Section 222.50 is amended by adding a subdivision to read:

Subd. 6. The commissioner may use funds appropriated to the rail service improvement account for payment of the local share of the cost of any rail line project under the rail service continuation program established by the Railroad Revitalization and Regulatory Reform Act of 1976, Public Law 94-210, Section 803, provided that the amount shall not exceed an amount equal to the taxes accrued to the project rail line during the year preceding the initiation of the project."

Page 8, line 1, strike "APPROPRIATIONS" and insert "APPROPRIATION"

Page 8, line 5, strike "section 4" and insert "sections 1 to 8"

Page 8, line 6, strike "section 4" and insert "sections 1 to 8"

Renumber the sections in sequence.

Amend the title as follows:

Page 1, line 7, after "Sections" insert "222.50, by adding a subdivision;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was referred

H. F. No. 2190: A bill for an act relating to aeronautics; setting forth the registration procedure for pioneer aircraft; amending Minnesota Statutes 1976, Section 360.55 by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 8, strike "such" and insert "the"

Page 2, line 10, before "removed" insert "shall be"

- Page 2, line 10, strike “, and” and insert “by”
- Page 2, line 10, after “owner” insert “, who”
- Page 2, line 10, before “list” insert “thereafter”
- Page 2, line 13, strike “such” and insert “the”
- Page 2, line 13, strike “must” and insert “shall”
- Page 2, line 15, strike “(including the payment of”
- Page 2, line 16, strike “\$25 fee)”
- Page 2, line 16, strike “other”
- Page 2, line 17, strike “is” and insert “are”
- Page 2, line 20, strike “and filing” and insert “from the owner”
- Page 2, line 20, strike “of”
- Page 2, line 21, strike “the aircraft owner”
- Page 2, line 21, before the comma insert “of the defacement, loss or destruction”
- Page 2, line 21, strike “together”
- Page 2, line 22, strike “with any” and insert “the remains of the”
- Page 2, line 22, after “stamps” insert “, if any,”
- Page 2, line 22, before “fee” insert “a”
- Page 2, after “\$5” insert a comma
- Page 2, line 24, strike “note on his records the issue of” and insert “record”
- Page 2, line 25, strike “replacement”
- Page 2, line 25, after “number” insert “of the replacement plates, labels or stamps”
- Page 2, line 25, strike “proceed to”
- And when so amended the bill do pass. Amendments adopted.
Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

H. F. No. 1940: A bill for an act relating to the environmental education board; transferring the board to the department of natural resources.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 7, strike everything after the period

Page 1, strike lines 8 to 11 and insert:

"Minnesota Statutes 1976, Section 116E.03, Subdivision 1, is amended to read:

116E.03 [POWERS AND DUTIES.] Subdivision 1. [GENERALLY.] The environmental education board shall operate under the general supervision of the environmental quality board commissioner of natural resources. The environmental education board shall submit its budget to the environmental quality control board commissioner each year for review and approval. Twice each year the state environmental education board shall report to the environmental quality board commissioner on the status of its programs and operations. In addition to any powers or duties otherwise prescribed by law and without limiting the same, the state environmental education board shall have the powers and duties hereinafter specified.

Sec. 2. The commissioners of finance and administration, as appropriate, shall provide for the transfer of personnel, appropriations and materials from the state planning agency to the department of administration pursuant to this act."

Underline and renumber the remaining section

Page 1, line 12, after "1978." insert "*Chapter 116E shall expire June 30, 1983.*"

Amend the title as follows:

Page 1, line 3, after the second "the" insert "*jurisdiction of the*"

Page 1, line 4, after "resources" insert "*; providing a termination date for the environmental education board; amending Minnesota Statutes 1976, Section 116E.03, Subdivision 1*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

H. F. No. 908: A bill for an act relating to the city of White Bear Lake; firemen's service pensions and disability benefits; amending Laws 1971, Chapter 214, Section 1.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Laws 1971, Chapter 214, Section 1, is amended to read:

Section. 1. [WHITE BEAR LAKE, CITY OF; FIREFIGHTERS RELIEF ASSOCIATION.] Subdivision 1. *The bylaws of the firemen's volunteer firefighters relief association of the city of White Bear Lake may pay be amended to authorize the payment to a volunteer fireman member firefighter who qualifies under the terms of Minnesota Statutes, Section 69.06, of a base service*

pension in excess of the amounts authorized by section 69.06, and or a disability benefits benefit, either duty or nonduty incurred, as authorized by Minnesota Statutes, Section 424.31, in amounts not to exceed \$150 per month.

Subd. 2. The relief association may pay a service pension or disability, either duty or nonduty, benefit not to exceed \$150 per month. The amount of the base service pension may be increased by additional incentive benefit amounts not to exceed \$150 per month; provided, however, that the total service pension paid shall not exceed \$300 per month.

Subd. 3. For purposes of this section, the following terms shall be given the following meanings:

(a) "Base service pension" shall mean the service pension payable to a retiring member of the relief association when the member has received credit for the minimum years of service and has attained the minimum age specified in the bylaws for the commencement of a service pension; and

(b) "Incentive benefit amounts" shall mean amounts payable in addition to the base service pension which are based on meeting the minimum number of fire calls or rescue squad calls as set forth in the bylaws of the relief association for entitlement to an incentive benefit or completing years of service in excess of the minimum years of service specified in the bylaws for the commencement of a service pension.

Sec. 2. This act is effective upon approval by the city council of White Bear Lake and upon compliance with Minnesota Statutes, Section 645.021."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon,

H. F. No. 2067: A bill for an act relating to transportation; authorizing permits for the construction of agricultural fences on a highway right-of-way.

Reports the same back with the recommendation that the report from the Committee on Transportation shown in the Journal for March 8, 1978 that "when so amended the bill do pass" be adopted. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon,

H. F. No. 830: A bill for an act relating to public utilities; regulation of cooperative electric associations; amending Minnesota Statutes 1976, Sections 216B.01; 216B.02, Subdivision 4;

216B.06; 216B.17, by adding a subdivision; 216B.36; 216B.38, Subdivision 5; 216B.45; 216B.47; 216B.62, by adding a subdivision; repealing Minnesota Statutes 1976, Sections 216B.48, Subdivision 7; 216B.49, Subdivision 6; 216B.50, Subdivision 2; and 216B.51, Subdivision 2.

Reports the same back with the recommendation that the report from the Committee on Commerce shown in the Journal for March 7, 1978 that "when so amended the bill do pass" be adopted. Amendments adopted. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was referred

H. F. No. 1605: A bill for an act relating to motor vehicles, registration dates, display of plates or insignia; amending Minnesota Statutes 1976, Sections 168.09, Subdivisions 2 and 3; and 168.31, Subdivision 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was referred

H. F. No. 474: A bill for an act relating to highway traffic regulations; defining terms; driving rules; pedestrian rules; regulating the operation of motor vehicles, bicycles and other human powered vehicles; amending Minnesota Statutes 1976, Sections 169.01, Subdivisions 2, 3, 31, 51, and by adding a subdivision; 169.18, Subdivision 7; 169.19, Subdivisions 1 and 8; 169.20, Subdivision 4; 169.21, Subdivision 3; 169.31, and Chapter 169, by adding a section; repealing Minnesota Statutes 1976, Section 169.221.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 1, strike "*but not*"

Page 2, line 2, strike "*operated upon rails, except vehicles*" and insert "*. Motor vehicle does not include a vehicle*"

Page 2, line 8, strike "*, berm,*"

Page 2, line 9, strike "*, berm*"

Page 2, after line 27, insert

"Sec. 6. Minnesota Statutes 1976, Section 169.03, Subdivision 8, is amended to read:

Subd. 8. Every person riding a bicycle or an animal or driving any animal drawing a vehicle upon a roadway shall be subject to the provisions of this chapter applicable to the driver of a vehicle, except those provisions which by their nature can have no application."

Page 3, line 25, before the period insert "*as provided in section 169.19, subdivision 1*"

Page 6, line 12, strike "or"

Page 6, line 13, strike "*the provisions or any local ordinance.*"

Page 6, line 14, after "shall" insert ": (a)"

Page 6, line 14, after "any" insert "*bicycle or*"

Page 6, line 15, restore the stricken words "*upon any roadway*"

Page 6, line 16, strike the underlined language

Page 6, line 17, strike "*vehicle*"

Page 6, line 17, strike "*shall*" and insert "(b)"

Page 6, line 18, strike "*shall*"

Page 6, lines 23 and 24, strike "AND OTHER HUMAN-POWERED VEHICLES"

Page 6, lines 24 to 30, strike subdivision 1 in its entirety and insert

"Subdivision 1. [TRAFFIC LAWS APPLY.] Every person operating a bicycle shall have all of the rights and duties applicable to the driver of any other vehicle by this chapter, except in respect to those provisions in this chapter relating expressly to bicycles and in respect to those provisions of this chapter which by their nature cannot reasonably be applied to bicycles."

Page 7, line 1, after "except" insert "(a)"

Page 7, line 2, strike "*such*" and insert "*the baby*"

Page 7, line 5, after "or" insert "(b)"

Page 7, line 7, delete "(a)"

Page 7, strike lines 11 to 13

Page 7, line 14, to page 8, line 17, strike subdivision 4 in its entirety and insert

"Subd. 4. [RIDING ON ROADWAYS.] (a) Every person operating a bicycle upon a roadway shall ride as close as practicable to the right-hand curb or edge of the roadway except under any of the following situations:

(i) When overtaking and passing another vehicle proceeding in the same direction.

(ii) When preparing for a left turn at an intersection or into a private road or driveway.

(iii) When reasonably necessary to avoid conditions, including fixed or moving objects, vehicles, pedestrians, animals, surface hazards, or narrow width lanes, that make it unsafe to continue along the right-hand curb or edge.

(b) *Persons riding bicycles upon a roadway shall not ride more than two abreast and shall not impede the normal and reasonable movement of traffic and, on a laned roadway, shall ride within a single lane.*

(c) *A person operating a bicycle upon a sidewalk, or across a roadway on a crosswalk, shall yield the right of way to any pedestrian and shall give an audible signal when necessary before overtaking and passing any pedestrian. No person shall ride a bicycle upon a sidewalk within a business district unless permitted by local authorities. Local authorities may prohibit the operation of bicycles on any sidewalk or crosswalk under their jurisdiction.*

A person lawfully operating a bicycle on a sidewalk, or across a roadway on a crosswalk, shall have all the rights and duties applicable to a pedestrian under the same circumstances."

Page 8, line 21, before the period insert "*or from properly operating the brakes of the bicycle*"

Page 8, line 22, strike "*Every*" and insert "*No person shall operate a*"

Page 8, line 22, strike "*when*"

Page 8, line 23, strike "*in use*"

Page 8, line 23, strike "*shall be*" and insert "*unless the bicycle or its operator is*"

Page 8, line 23, strike "*, or its operator*"

Page 8, line 24, strike "*shall carry.*"

Page 8, line 24, strike "*on the front*"

Page 8, line 26, strike "*on the rear*"

Page 8, line 30, strike "*A lamp emitting a red light visible*"

Page 8, strike line 31

Page 8, line 32, strike "*addition to the red reflector.*"

Page 8, line 32, strike "*, after January*"

Page 9, line 1, strike "*1, 1978,*" and insert "*operate a bicycle*"

Page 9, line 1, strike "*other*"

Page 9, line 3, strike "*, operate a*"

Page 9, line 4, strike the first "*bicycle*"

Page 9, line 17, strike "*Every*" and insert "*No person shall operate a*"

Page 9, line 17,, strike "*shall be*" and insert "*unless it is*"

Page 9, line 20, strike "*the*" and insert "*a*"

Page 9, line 26, strike "*in an upright position*"

Page 9, line 29, to page 11, line 9, strike Subdivisions 7 to 10 in their entirety and insert

"Subd. 7. [SALE WITH REFLECTORS AND OTHER EQUIPMENT.] *No person shall sell or offer for sale any new bicycle unless it is equipped with reflectors and other equipment as required by subdivision 6, clauses (a) and (b) and by the regulations for new bicycles prescribed by the United States consumer product safety commission.*

Subd. 8. [TURNING AND LANE CHANGES.] *An arm signal to turn right or left shall be given continuously during the last 100 feet traveled by the bicycle before turning, unless the arm is needed to control the bicycle, and shall be given while the bicycle is stopped waiting to turn.*

Subd. 9. [BICYCLE PARKING.] *(a) A person may park a bicycle on a sidewalk unless prohibited or restricted by local authorities. A bicycle parked on a sidewalk shall not impede the normal and reasonable movement of pedestrian or other traffic.*

(b) A bicycle may be parked on a roadway at any location where parking is allowed if it is parked in such a manner that it does not obstruct the movement of a legally parked motor vehicle.

Subd. 10. [BICYCLE EVENTS.] *(a) Bicycle events, parades, contests, or racing on a highway shall not be unlawful when approved by state or local authorities having jurisdiction over that highway. Approval shall be granted only under conditions which assure reasonable safety for all participants, spectators and other highway users, and which prevent unreasonable interference with traffic flow which would seriously inconvenience other highway users.*

(b) By agreement with the approving authority, participants in an approved bicycle highway event may be exempted from compliance with any traffic laws otherwise applicable thereto, provided that traffic control is adequate to assure the safety of all highway users."

Page 11, strike Section 13 in its entirety and insert

"Sec. 13. [OPENING AND CLOSING VEHICLE DOORS.] *No person shall open any door on a motor vehicle unless and until it is reasonably safe to do so and can be done without interfering with the movement of other traffic. No person shall allow any door on the side of a vehicle adjacent to moving traffic to remain open for a period of time longer than necessary to load or unload passengers."*

Renumber the sections in sequence.

Amend the title as follows:

Page 1, line 7, before "169.18" insert "169.03, Subdivision 8;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Tennesen from the Committee on Commerce, to which was referred

H. F. No. 2225: A bill for an act relating to prepaid legal service plans; authorizing creation of nonprofit, legal service plan corporations; providing for their formation and regulation; prescribing penalties.

Reports the same back with the recommendation that the bill be amended as follows:

Page 16, after line 28, insert:

"Subd. 4. Notwithstanding any law or rule of court to the contrary, any attorney licensed to practice law in this state may solicit a contract or submit a bid to contract with any legal service plan corporation to provide legal services as provided in this section."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred

H. F. No. 1931: A bill for an act relating to agriculture; corporate farming; providing new definitions; declaring the desirability of family farm stability; amending Minnesota Statutes 1976, Sections 268.04, Subdivision 31; 308.11; 500.24; and Minnesota Statutes, 1977 Supplement, Section 176.041, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, strike lines 6 to 20

Page 7, strike line 3

Page 7, line 4, strike the first "of" and insert "pursuant to" and after "324," insert "Subdivision 2, Clauses (a) through (m),"

Page 7, line 7, strike "in any five year"

Page 7, line 8, strike "period"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Tennesen from the Committee on Commerce, to which was referred

H. F. No. 37: A bill for an act relating to commerce; requiring individually marked prices on certain retail merchandise; providing exceptions; providing penalties.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 8, after "store" insert "primarily engaged in the sale of grocery products at retail"

Page 1, line 9, strike "merchandise" and insert "grocery products"

Page 1, line 15, before the period insert "unless the price of the item is conspicuously displayed where the item is shelved and the store provides a means by which the customer may mark individual items"

Page 1, line 15, strike "the" and insert "a grocery"

Page 2, line 2, strike "Retail merchandise which is" and insert "Grocery products sold by a store primarily engaged in the sale of grocery products at retail which are"

Page 2, line 3, delete "weighs" and insert "weigh" and delete "is" and insert "are"

Page 2, line 5, strike "Retail merchandise" and insert "Grocery products sold by a store primarily engaged in the sale of grocery products"

Page 2, line 14, strike "retail merchandise" and insert "grocery product sold by a store primarily engaged in the sale of grocery products"

Page 2, after line 17, insert:

"Subd. 3. In addition to the exemptions allowed in subdivision 2, a retailer may choose to not individually price mark not more than 25 classes of items or individual items which classes or items shall be set forth on a list posted in a conspicuous place in the retail store, and may choose to not individually price mark not more than 25 additional classes of items or individual items which are advertised or featured at a reduced price."

Page 2, line 18, strike "Failure" and insert "Knowingly and willfully failing"

Page 2, after line 27, insert:

"Sec. 3. [LOCAL ORDINANCE PRE-EMPTED.] No subordinate unit of government may adopt or enforce any rule or ordinance requiring individually marked prices on retail merchandise other than that contained in this act."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred

H. F. No. 1416: A bill for an act relating to the legislature; requiring that bodies wholly or principally composed of legislators submit budgets and complement requests to the legislative coordinating commission; amending Minnesota Statutes 1976, Chapter 3, by adding a section.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 13, before "*commission*" insert "*statutory*"

Page 1, line 14, strike "*or joint committee*"

Page 1, line 16, strike "*approval*" and insert "*review and comment*"

Page 1, line 19, strike "*or committee*"

Page 1, line 20, after "*without*" strike "*the*"

Page 1, line 21, strike "*approval*" and insert "*first having received the recommendation*"

Page 1, after line 21, insert:

"Sec. 2. [EFFECTIVE DATE.] *This act is effective immediately upon enactment.*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Elections, to which was referred

H. F. No. 600: A bill for an act relating to elections; providing for uniform reporting dates for and disclosure of campaign contributions and expenditures of political committees and candidates; providing for statements of economic interest for candidates and persons elected to public office; defining certain terms; providing exemption from disclosure requirements for certain persons and political committees; providing restrictions on the use of government publications; prohibiting sample ballots which appear to be official ballots; giving the secretary of state and filing officers certain duties with respect to elections; permitting codes of ethics for counties, cities, and school districts; providing penalties; amending Minnesota Statutes 1976, Sections 210A.01, Subdivisions 1, 3, 5, 6, and 8, and by adding subdivisions; 210A.05, Subdivision 1; 210A.16; 210A.21; 210A.24; 210A.27, Subdivision 1; 210A.29; 210A.32; and 290.09, Subdivision 2; and Chapters 123, by adding a section; 210A, by adding sections; 375, by adding a section; and 471, by adding a section; repealing Minnesota Statutes 1976, Sections 123.015; 210.22; 210A.01, Subdivisions 4, 7, and 9; 210A.22; 210A.23; 210A.25; 210A.26; 210A.28; 210A.30; 210A.31; and 210A.33.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 210A.01, Subdivision 1, is amended to read:

210A.01 [DEFINITIONS.] Subdivision 1. The words used in sections 210A.01 to 210A.44 have the meanings prescribed to them in chapter 200; and the words defined Unless a different definition is provided for particular provisions of this chapter, the definitions provided in this section are applicable apply for the purpose of construing sections 210A.01 to 210A.44 the

words used in this chapter . The definitions provided in chapter 200 apply to any words used in this chapter and not defined therein.

Sec. 2. Minnesota Statutes 1976, Section 210A.01, Subdivision 3, as amended by Laws 1978, Chapter 463, Section 105, is amended to read:

Subd. 3. "Candidate" means any individual for whom it is contemplated or desired that votes may be cast at any primary or election, and who either tacitly or expressly consents to be so considered, except candidates for president and vice president of the United States. In sections 210A.22 to 210A.23, 210A.32 and 210A.33, "candidate" does not mean an individual for whom it is contemplated or desired that votes may be cast at any primary or election, and who either tacitly or expressly consents to be so considered for constitutional office, member of the legislature, justice of the supreme court, or district court judge.

Sec. 3. Minnesota Statutes 1976, Section 210A.01, Subdivision 8, is amended to read:

Subd. 8. "Political committee" means every group of two or more persons elected or appointed by any political party or association for the purpose, wholly or partly, of raising, collecting, or disbursing money, or directing the raising, collecting or disbursing thereof, for nomination or election purposes, and every group of two or more persons who shall cooperate in the raising, collecting, or disbursing of money used, or to be used for or against the election to public office of any person or any class or number of persons, or for or against the adoption of any law, ordinance, or constitutional amendment, shall be deemed a "political committee" within the meaning of sections 210A.01 to 210A.44 . "Political committee" includes a principal campaign committee as defined in section 10 .

Sec. 4. Minnesota Statutes 1976, Section 210A.01, Subdivision 9, is amended to read:

Subd. 9. "Committee" means any personal campaign committee, party committee or political committee, unless the intent is clearly shown to be otherwise.

Sec. 5. Minnesota Statutes 1976, Section 210A.05, Subdivision 1, is amended to read:

210A.05 [PAID ADVERTISEMENTS IN NEWS.] Subdivision 1. No publisher of a newspaper, periodical, or magazine shall insert either in the advertising columns of such newspaper, magazine, or periodical, or elsewhere therein, any matter paid or to be paid for which is intended or tends to influence directly or indirectly any voting at any primary or general election unless at the head or the foot of the matter is printed in six point capital letters the words "Paid Advertisement," and unless there is a statement at the head or the foot of the matter of the amount paid or to be paid therefor, or a statement that the same is to be paid at regular advertising rates, the name of the can-

didate in whose behalf the matter is inserted and of any other person or the names of the officer and the committee authorizing the publication.

Sec. 6. Minnesota Statutes 1976, Section 210A.16, is amended to read:

210A.16 [LEGAL EXPENDITURES.] The expenditure of money or other thing of value by any candidate, ~~personal campaign committee, party committee, or political committee~~ for political purposes other than those provided in this section is prohibited. The following are permitted expenditures:

- (a) Salaries, wages, and fees;
- (b) Communications, mailing, transportation, and travel;
- (c) Campaign advertising;
- (d) Printing;
- (e) Office and other space and necessary equipment, furnishings, and supplies incidental thereto;
- (f) Other expenses, not included in the above, which are reasonably related to the conduct of election campaigns.

Sec. 7. Minnesota Statutes 1976, Chapter 210A, is amended by adding a section to read:

[210A.215] [TAX DEDUCTIONS FOR CERTAIN EXPENDITURES.] *Expenditures made by a candidate from his own funds and on behalf of his own election may be deducted as expenses for production of income or as a business deduction under section 290.09, subdivision 2, in an amount not to exceed \$500.*

Sec. 8. Minnesota Statutes 1976, Section 210A.37, is amended to read:

210A.37 [COUNTY ATTORNEY TO INQUIRE INTO VIOLATIONS; PENALTIES.] If the county attorney of the county shall be notified by any officer or other person of any violation of any the provisions of ~~sections 210A.01 to 210A.44 this chapter~~, it shall be his duty forthwith to diligently inquire into the facts of such violation, and if there be reasonable ground for instituting a prosecution, it shall be the duty of such county attorney to present the charge, with all the evidence which he can procure, to the grand jury of such county. If any county attorney shall fail or refuse to faithfully perform any duty imposed upon him by the provisions of ~~sections 210A.01 to 210A.44 this chapter~~, he shall be guilty of a misdemeanor; and, on conviction thereof, shall forfeit his office. It shall be the duty of the county attorney, under the penalty of forfeiture of his office, to prosecute any and all persons guilty of any violation of the provisions of ~~sections 210A.01 to 210A.44 this chapter~~, the penalty of which is fine or imprisonment, or both, or removal from office. Any citizen may employ an attorney to assist the county attorney to perform his duties under the provisions of ~~sections 210A.01 to 210A.44 this chapter~~, and such attorney shall be recognized by the county

attorney and the court as associate counsel in the proceeding; and no prosecution, action, or proceeding shall be dismissed without notice to, or against the objection of, such associate counsel until the reasons of the county attorney for such dismissal, together with the objections thereto of the associate counsel, shall have been filed in writing, argued by counsel, and fully considered by the court, with such limitation as to the time of filing such reasons and objections as the court may impose.

Sec. 9. Minnesota Statutes, Chapter 210A, is amended by adding a section to read:

[210A.445] [DIGEST OF LAWS.] *The secretary of state, with the approval of the attorney general, shall prepare, print and distribute to county auditors and municipal clerks an easily understandable digest of sections 210A.01 to 210A.44 including annotations to those sections.*

Sec. 10. Minnesota Statutes 1976, Chapter 210A, is amended by adding a section to read:

[210A.500] [DEFINITIONS.] *Subdivision 1. The definitions provided in this section apply for the purpose of construing the words used in sections 10 to 26 of this act.*

Subd. 2. "Advance of credit" means any money owed for goods provided or services rendered. An advance of credit is an expenditure or a noncampaign disbursement in the year in which the goods or services are used or consumed. Advance of credit does not mean loan as defined in subdivision 11.

Subd. 3. "Association" means business, corporation, firm, partnership, committee, labor organization, club, or any other group of two or more persons, which includes more than an immediate family, acting in concert.

Subd. 4. "Business with which he is associated" means any association in connection with which the individual is compensated in excess of \$50 except for actual and reasonable expenses in any month as a director, officer, owner, member, partner, employer or employee, or is a holder of securities worth \$2,500 or more at fair market value.

Subd. 5. "Candidate" means an individual who seeks nomination or election to any county, city or school district office.

Subd. 6. "Contribution" means a transfer of funds or a donation in kind.

Contribution includes any loan or advance of credit to a political committee, political fund, or principal campaign committee, if that loan or advance of credit is (a) forgiven, or (b) paid by an entity other than the political committee, political fund, or principal campaign committee to which the loan or advance of credit is made.

Contribution does not include services provided without compensation by an individual volunteering his time on behalf of a

candidate, political committee or political fund, or the publishing or broadcasting of news items or editorial comments by the news media.

Subd. 7. "Donation in kind" means anything of value other than money or negotiable instruments given by an individual or association to a political committee, political fund, or principal campaign committee for the purpose of influencing the outcome of an election.

Subd. 8. "Election" means any election held to (a) nominate or elect any candidate or (b) to decide any question on any county, city or school district ballot or (c) to approve or reject any constitutional amendment.

Subd. 9. "Expenditure" means a purchase or payment of money or anything of value, or an advance of credit, made or incurred for the purpose of influencing the outcome of an election. Expenditure does not include services provided without compensation by an individual volunteering his time on behalf of a candidate, political committee or political fund, or the publishing or broadcasting of news items or editorial comments by the news media.

Subd. 10. "Filing officer" means the city clerk or county auditor with respect to any city or county election, the chief administrative officer of the school district with respect to any school district election and the ethical practices board with respect to any constitutional amendment.

Subd. 11. "Loan" means an advance of money or anything of value made to a political committee, political fund, or principal campaign committee.

Subd. 12. "Political committee" means any political party, association or person other than an individual that seeks as its major purpose to influence the outcome of any election.

Subd. 13. "Political fund" means any accumulation of dues or voluntary contributions by an association other than a political committee, which accumulation is collected or expended for the purpose of influencing the outcome of an election.

Subd. 14. "Principal campaign committee" means the single political committee designated by a candidate.

Subd. 15. "Transfer of funds" or "transfer" means money or negotiable instruments given by an individual or association to a political committee, political fund, or principal campaign committee for the purpose of influencing the outcome of an election.

Sec. 12. Minnesota Statutes 1976, Chapter 210A, is amended by adding a section to read:

[210A.501] [POLITICAL COMMITTEES.] Subdivision 1. [OFFICERS.] Every political committee shall have a chairman and a treasurer, who may be the same individual. The treasurer may designate deputy treasurers and shall be responsible for their accounts. The treasurer shall designate a single depository and account for all contributions received by the political committee.

Subd. 2. [PROHIBITIONS; ACCEPTANCE OF CERTAIN CONTRIBUTIONS; COMMINGLING OF FUNDS.] No contribution shall be accepted and no expenditure shall be made by or on behalf of a political committee while the office of treasurer is vacant. No anonymous contribution in excess of \$20 shall be retained by any political committee but shall be forwarded to the state ethical practices board and deposited in the general fund. No funds of a political committee shall be commingled with the personal funds of any officer, member or associate of the committee. Any person who violates a provision of this subdivision is guilty of a misdemeanor.

Sec. 13. Minnesota Statutes 1976, Chapter 210A, is amended by adding a section to read:

[210A.502] [POLITICAL FUNDS.] Subdivision 1. [WHEN REQUIRED.] No association other than a political committee shall transfer more than \$100 in aggregate in any one year to candidates or political committees or make any expenditure unless the transfer or expenditure is made from a political fund.

Subd. 2. [TREASURER; COMMINGLING OF FUNDS; ANONYMOUS CONTRIBUTIONS.] Each association which has a political fund shall elect or appoint a treasurer of the political fund. No contributions to the political fund shall be accepted and no expenditures from the political fund shall be made while the office of treasurer of the political fund is vacant. The contents of a political fund shall not be commingled with any other funds or with the personal funds of any officer or member of the fund. No anonymous contribution in excess of \$20 shall be retained by any political fund but shall be forwarded to the state ethical practices board and deposited in the general fund.

Subd. 3. [USE OF DUES AND MEMBERSHIP FEES.] Notwithstanding subdivision 1, any association may, if not prohibited by other law, deposit in its political fund money derived from dues or membership fees. The treasurer of the fund, in any report required by section 17, shall disclose the name of any member whose dues, membership fees and contributions deposited in the political fund together exceed \$50 in any one year.

Subd. 4. [PENALTY.] Any person who knowingly violates the provisions of this section is guilty of a misdemeanor.

Sec. 14. Minnesota Statutes 1976, Chapter 210A, is amended by adding a section to read:

[210A.503] [PRINCIPAL CAMPAIGN COMMITTEE.] Every candidate who receives contributions in excess of \$250 or makes expenditures in excess of \$500 shall designate and cause to be formed a single political committee which shall be known as the candidate's principal campaign committee. A candidate shall only make expenditures through his principal campaign committee. A candidate may be the chairman and treasurer of his principal campaign committee.

Sec. 15. Minnesota Statutes 1976, Chapter 210A, is amended by adding a section to read:

[210A.504] [REGISTRATION OF POLITICAL COMMITTEES.] *Subdivision 1. [FILING OFFICE; DEADLINE.] Every political committee and political fund shall register with the appropriate filing officer within 14 days after the date by which the committee or fund has received contributions or made expenditures in excess of \$100. A political committee or political fund other than a principal campaign committee shall register with the filing officer of each jurisdiction holding an election the outcome of which that committee or fund seeks to influence.*

Subd. 2. [STATEMENT REQUIRED.] A political committee or fund registers by filing a statement of organization that includes:

- (a) the name and address of the political committee or fund;*
- (b) the name and address of the chairman, the treasurer, and any deputy treasurers;*
- (c) the name and address of the depository used by the committee or fund;*
- (d) the name and address of any supporting association of a political fund; and*
- (e) a statement as to whether the committee is a principal campaign committee.*

The statement of organization shall be filed by the treasurer of the political committee, political fund or principal campaign committee.

Sec. 16. Minnesota Statutes 1976, Chapter 210A, is amended by adding a section to read:

[210A.505] [ACCOUNTS WHICH MUST BE KEPT.] *Subdivision 1. [CONTRIBUTIONS; EXPENDITURES; TRANSFERS.] The treasurer of any political committee, political fund or principal campaign committee, shall keep an account of:*

- (a) The sum of all contributions except any donation in kind valued at \$20 or less made to the political committee or fund;*
- (b) The name and address of each source of transfer or donation in kind in excess of \$20, together with the date and amount;*
- (c) Each expenditure made by or on behalf of the committee together with the date and amount; and*
- (d) the name and address of each political committee or fund to which transfers in excess of \$20 have been made, together with the date and amount.*

Subd. 2. [AUTHORIZATION OF EXPENDITURES; RECEIPTS.] Each expenditure by a political committee, political fund or principal campaign committee shall be authorized by the treasurer. The treasurer may authorize not more than \$20 per week as petty cash for miscellaneous expenditures. The treasurer shall obtain a receipted bill, stating the particulars, for every

expenditure made by or on behalf of the political committee or fund of over \$100, and for any expenditure in a lesser amount if the aggregate amount of lesser expenditures to the same individual or association during a year exceeds \$100.

Sec. 17. Minnesota Statutes 1976, Chapter 210A, is amended by adding a section to read:

[210A.506] [CAMPAIGN REPORTS.] Subdivision 1. [COMMITTEES REQUIRED TO REPORT; DEADLINES.] *The treasurer of any political committee, political fund or principal campaign committee required to register pursuant to section 15 shall also file campaign reports with the filing officer with whom the committee is registered. Campaign reports shall be filed ten days before any special primary, regular primary, regular or special election and 30 days after any regular or special election. The reports shall cover the period from the last day of the previous reporting period to seven days before the filing date. An additional campaign report shall be filed on January 31 of each year covering the period from the last day of the previous reporting period to December 31 of the preceding calendar year.*

Subd. 2. [CONTENT OF REPORTS.] *Each campaign report required under this section shall disclose:*

(a) *The amount of liquid assets on hand at the beginning of the reporting period;*

(b) *The name, address and employer, or occupation if self-employed, of each individual, committee or political fund that made transfers or donations in kind to the political committee in an aggregate amount or value in excess of \$50, together with the amount and date;*

(c) *The sum of all contributions made to the political committee or political fund;*

(d) *Each loan made or received by the political committee or political fund within the year in aggregate in excess of \$100, together with the name, address, occupation and the principal place of business, if any, of the lender and any endorser and the date and amount of the loan. A loan made to a political committee or political fund which is forgiven or is repaid by an entity other than that political committee or fund shall be reported as a contribution;*

(e) *The sum of all receipts, including all contributions and loans, during the reporting period;*

(f) *The name and address of each person to whom aggregate expenditures have been made by or on behalf of the political committee or fund within the year in excess of \$100, the amount, date and purpose of each expenditure and the ballot question or the name and address of the candidate supported or opposed by the expenditure;*

(g) *The sum of all expenditures made by the political committee or fund;*

(h) *The amount and nature of any advance of credit incurred by the political committee or fund continuously reported until paid or forgiven. An advance of credit incurred by a political committee or fund which is forgiven or is paid by an entity other than that political committee or fund shall be reported as a donation in kind;*

(i) *The name and address of each political committee or fund to which aggregate transfers in excess of \$100 have been made within the year, together with the amount and date of each transfer;*

(j) *The sum of all transfers made to political committees or funds; and*

(k) *The sum of all disbursements not made to influence the outcome of an election.*

Subd. 3. [TERMINATION REPORTS.] *A political committee or political fund may dissolve upon filing of a termination report indicating that the committee or fund has settled all of its debts and disposed of all assets in excess of \$100. The termination report shall include all information required in a periodic campaign report.*

Sec. 18. Minnesota Statutes 1976, Chapter 210A, is amended by adding a section to read:

[210A.507] [EXPENDITURES BY INDIVIDUALS; REPORTS REQUIRED; EXCEPTION.] *Any individual who makes expenditures to influence the outcome of an election in an aggregate amount of \$100 or more in any year, which expenditures are not required to be reported by any political committee or fund as contributions to that political committee or fund, shall file campaign reports in the form required by section 17 with respect to those expenditures; provided that an individual shall not be required to report any expenditure which is made without the cooperation or express or implied consent of any candidate, political committee or agent of a candidate or political committee, unless the expenditure expressly advocates the election or defeat of a clearly identified candidate or the approval or rejection of a clearly identified ballot question or constitutional amendment.*

Sec. 19. Minnesota Statutes 1976, Chapter 201A, is amended by adding a section to read:

[210A.508] [ADDITIONAL INFORMATION TO BE DISCLOSED.] *Subdivision 1. [EARMARKED CONTRIBUTIONS.] Any individual, political committee or political fund that receives a contribution from any person or association in an aggregate in excess of \$50 with the express or implied condition that the contribution or any part of it be directed to a particular candidate shall disclose to the ultimate recipient and in any report required by section 17, the original source of the contribution, the fact that it was earmarked and the candidate to whom it is directed. The ultimate recipient of any contribution so earmarked shall also disclose the original source and the individual political committee or politi-*

cal fund through which it was directed. Any individual, political committee or political fund that knowingly accepts earmarked funds and fails to make the required disclosure is guilty of a misdemeanor.

Subd. 2. [BILLS WHEN RENDERED AND PAID.] Every person who has a bill, charge or claim against any political committee or political fund for any expenditure shall render in writing to the treasurer of the committee or fund the bill, charge or claim within 60 days after the material or service is provided. Failure to so present the bill, charge or claim is a misdemeanor.

Sec. 20. Minnesota Statutes 1976, Chapter 210A, is amended by adding a section to read:

[210A.509] [CIRCUMVENTION PROHIBITED.] Any attempt to circumvent disclosure of the source or amount of contributions or expenditures by redirecting funds through or contributing funds on behalf of another person is a misdemeanor.

Sec. 21. Minnesota Statutes 1976, Chapter 210A, is amended by adding a section to read:

[210A.510] [ECONOMIC REPRISALS PROHIBITED.] No individual or association shall engage in economic reprisal or threaten loss of employment or physical coercion against any individual or association because of the political contributions or political activity of that individual association. This subdivision shall not apply to compensation for employment or loss of employment when the political affiliation or viewpoint of the employee is a bona fide occupational qualification of the employment. Any individual or association that violates this subdivision is guilty of a misdemeanor.

Sec. 22. Minnesota Statutes 1976, Chapter 210A, is amended by adding a section to read:

[210A.511] [ECONOMIC INTEREST DISCLOSURE.] Subdivision 1. [OFFICIALS REQUIRED TO FILE; DEADLINES.] Every candidate for county office, every elected county official, and every candidate for city or school district office and elected city and school district official in any city or school district with a population of 20,000 or more shall file statements of economic interest as required by this section with the appropriate filing officer. A candidate shall file an original statement within 14 days of the filing of an affidavit or petition to appear on the ballot. All elected officials in office on the effective date of this act shall file an original statement of economic interest 60 days after forms for disclosure are provided to the appropriate filing officer. Every individual required to file a statement shall file a supplementary statement on April 15 of each year in which he remains a candidate or elected official. The population of a school district shall be determined by the chief administrative officer of the district based on the last federal census.

Subd. 2. [CONTENT OF STATEMENT.] An individual required to file a statement of economic interest shall disclose:

(a) His name, address, occupation and principal place of business;

(b) The name of each business with which he is associated and the nature of that association; and

(c) A listing of all real property within the state, excluding homestead property, in which he holds: (i) a fee simple interest, a mortgage, a contract for deed as buyer or seller, or an option to buy, whether direct or indirect, and which interest is valued in excess of \$2,500; or (ii) an option to buy, which property has a fair market value of \$50,000 or more;

(d) A listing of all real property within the state in which a partnership of which he is a member holds: (i) a fee simple interest, a mortgage, a contract for deed as buyer or seller, or an option to buy, whether direct or indirect, if his share of the partnership interest is valued in excess of \$2,500 or (ii) an option to buy, which property has a fair market value of \$50,000 or more; and

(e) in supplementary statements only, the amount of each honorarium in excess of \$50 received since the last statement, together with the name and address of the source.

Any listing under clause (c) or (d) shall indicate the street address and the municipality or the section, township range and approximate acreage, whichever applies, and the county wherein the property is located.

Sec. 23. Minnesota Statutes 1976, Chapter 210A, is amended by adding a section to read:

[210A.512] [REPORTS AND STATEMENTS; REQUIREMENTS.] *Subdivision 1. [CERTIFICATION.] A report or statement required by sections 16 to 23 shall be signed and certified as true by the individual required to file the report. Any individual who signs and certifies to be true a report or statement which he knows contains false information or who knowingly omits required information is guilty of a gross misdemeanor.*

Subd. 2. [CHANGES AND CORRECTIONS.] Any material changes in information previously submitted and any corrections to a report or statement shall be reported in writing to the appropriate filing officer within ten days following the date of the event prompting the change or the date upon which the individual filing became aware of the inaccuracy. The change or correction shall identify the form and the paragraph containing the information to be changed or corrected. Any individual who willfully fails to report a material change or correction is guilty of a misdemeanor.

Subd. 3. [RECORD KEEPING.] Each individual required to file any report or statement or to keep any account pursuant to sections 16 to 23 shall maintain and preserve for four years the records including vouchers, cancelled checks, bills, invoices, worksheets and receipts, which will provide in sufficient detail the necessary information from which the accounts and the filed reports and statements may be verified, explained, clarified and checked for accuracy and completeness.

Subd. 4. [PENALTIES.] *The appropriate filing officer shall notify by certified mail or personal service any individual who fails to file a statement or report required by sections 16 to 23. Except for any campaign report of a principal campaign committee due before an election, if an individual fails to file any statement or report within seven days after receiving a notice, the filing officer may impose a late filing fee of \$5 per day, not to exceed \$100, commencing on the eighth day after receiving notice. If a treasurer of a principal campaign committee fails to file a campaign report due before an election within three days of the date due, regardless of whether the treasurer has received any notice, the filing officer may impose a late filing fee of \$50 per day, not to exceed \$500, commencing on the fourth day after the date the statement was due. The filing officer shall further notify by certified mail or personal service any individual who fails to file any statement or report within 21 days after receiving a first notice that the individual may be subject to a criminal penalty for failure to file the statement or report. An individual who knowingly fails to file the statement or report within seven days after receiving a second notice from the filing officer is guilty of a misdemeanor.*

Subd. 5. [ENFORCEMENT.] *A filing officer may bring an action in the county or municipal court in the county in which his office is situated to recover any late filing fee imposed pursuant to subdivision 4. All money recovered shall be deposited in the general fund of the jurisdiction served by the filing officer.*

If any individual fails to file the required statement or report within seven days after a second notice as provided in subdivision 4, the filing officer shall inform the county attorney of the county in which the individual is domiciled that a second notice was sent and that the individual failed to file the required statement or report.

Sec. 24. Minnesota Statutes 1976, Chapter 210A, is amended by adding a section to read:

[210A.513] [DUTIES OF ETHICAL PRACTICES BOARD; COUNTY AUDITORS AND FILING OFFICERS.] *Subdivision 1. The state ethical practices board shall:*

(a) develop forms for all statements and reports required to be filed under sections 16 to 23 and furnish the forms to county auditors;

(b) issue and publish advisory opinions concerning the requirements of sections 10 to 26 upon application in writing by any individual or association who wishes to use the opinion to guide his or its own conduct; and

(c) exempt any individual or association required to disclose information under sections 16 to 19 from any requirement of those sections in the same manner as it exempts any individual or association from disclosure requirements under Minnesota Statutes, Chapter 10A. An individual or association exempted from the disclosure provisions of Minnesota Statutes, Chapter 10A, shall also be exempt from the disclosure provisions of sections 16 to 19.

Subd. 2. Each county auditor shall furnish sufficient copies of the forms provided by the ethical practices board to all filing officers in the county.

Subd. 3. Every filing officer shall furnish the necessary forms to individuals required to file statements or reports with that filing officer and shall receive, preserve, and make available for public inspection any statement or report filed by those individuals for a period of five years. A filing officer shall mail or deliver a copy of each form required to be filed by any candidate to each candidate for whom an affidavit, application or petition of candidacy is filed with that officer or other officer of that jurisdiction, or for whom a write-in vote is cast on the ballot of that jurisdiction. Any filing officer who fails to carry out the duties imposed by this subdivision or by section 23, subdivisions 4 and 5, is guilty of a misdemeanor.

Sec. 25. Minnesota Statutes 1976, Chapter 210A, is amended by adding a section to read:

[210A.514] [PENALTIES.] *Unless a penalty is expressly provided for a violation of any provision of sections 10 to 24, that violation is not a crime.*

Sec. 26. Minnesota Statutes 1976, Chapter 210A, is amended by adding a section to read:

[210A.515] [LOCAL ORDINANCES AND CHARTERS SUPERSEDED.] *Sections 10 to 25 supersede the provisions of any ordinance, resolution or home rule charter requiring disclosure of information related to the financing of election campaigns and similar activities designed to influence the outcome of an election. Any county, city or school district may adopt ordinances, resolutions or charter provisions that impose limits on the amount that any individual or association may contribute to any candidate for county, city or school district office. Any city or school district with a population of less than 20,000 may adopt ordinances, resolutions or charter provisions that require disclosure of economic interests by city or school district candidates and elected officials. Any county and any city or school district with a population of 20,000 or more may require disclosure of economic interests in addition to those required to be disclosed under section 22.*

Sec. 27. Minnesota Statutes, 1977 Supplement, Section 290.09, Subdivision 2, is amended to read:

Subd. 2. [TRADE OR BUSINESS EXPENSES; EXPENSES FOR PRODUCTION OF INCOME.] (a) In General. There shall be allowed as a deduction all the ordinary and necessary expenses paid or incurred during the taxable year in carrying on any trade or business, including

(1) A reasonable allowance for salaries or other compensation for personal services actually rendered;

(2) Traveling expenses (including the entire amount expended for meals and lodging) while away from home in the pursuit of a trade or business; and

(3) Rentals or other payments required to be made as a condition to the continued use or possession, for purposes of the trade or business, of property to which the taxpayer has not taken or is not taking title or in which he has no equity. For purposes of the preceding sentence, the place of residence of a member of congress within the state shall be considered his home, but amounts expended by such members within each taxable year for living expenses shall not be deductible for income tax purposes in excess of \$3,000.

(b) Expenses for Production of Income. In the case of an individual, there shall be allowed as a deduction all the ordinary and necessary expenses paid or incurred during the taxable year.

(1) For the production or collection of income;

(2) For the management, conservation, or maintenance of property held for the production of income; or

(3) In connection with the determination, collection, or refund of any tax.

(c) Campaign expenditures . *In the case of a candidate as defined in section 210A.01, there shall be allowed as a deduction in an amount not to exceed the limits set out in section 210A.22, \$500 any expenditures not subsequently reimbursed, which have been personally paid by a the candidate for public office if the candidate has complied with the expenditure limitations set out in section 210A.22; on behalf of his own election.*

(No deduction shall be allowed under this clause for any contribution or gift which would be allowable as a credit under section 290.21 were it not for the percentage limitations set forth in such section);

(d) All expense money paid by the legislature to legislators;

(e) The provisions of section 280A (disallowing certain expenses in connection with the business use of the home and rental of vacation homes) of the Internal Revenue Code of 1954, as amended through December 31, 1976, shall be applicable in determining the availability of any deduction under this subdivision.

Sec. 28. [REPEALER.] *Minnesota Statutes 1976, Sections 210A.01, Subdivisions 5 and 6; 210A.22; 210A.23; 210A.24; 210A.25; 210A.26; 210A.27; 210A.28; 210A.29; 210A.30; 210A.31; 210A.32; and 210A.33; and Laws 1977, Chapter 131, are repealed.*

Sec. 29. [EFFECTIVE DATE.] *This act is effective the day after final enactment; provided that the act shall apply only to an election as defined in section 10 for which the filing period opens on or after July 1, 1978."*

Further, delete the title and insert:

"A bill for an act relating to elections; requiring disclosure of campaign financing information for all county, city and school district elections; requiring disclosure of economic interests by

candidates and elected officials of all counties and certain cities and school districts; requiring candidates to form a principal campaign committee; imposing duties on the ethical practices board, county auditors, municipal clerks and chief administrative officers of certain school districts; superseding other general or special laws, charter provisions and local ordinances; imposing late filing fees and criminal penalties; amending Minnesota Statutes 1976, Sections 210A.01, Subdivisions 1, 3, as amended, 8 and 9; 210A.05, Subdivision 1; 210A.16; 210A.37; and Chapter 210A, by adding sections; Minnesota Statutes, 1977 Supplement, Section 290.09, Subdivision 2; repealing Minnesota Statutes 1976, Sections 210A.01, Subdivisions 5 and 6; 210A.22 to 210A.33; and Laws 1977, Chapter 131."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H. F. No. 774: A bill for an act relating to landlords and tenants; providing remedies for tenants whose landlords have breached provisions of agreements; defining terms; providing for adjustment of rent.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 504.21, is amended to read:

504.21 [RESTRICTION ON AUTOMATIC RENEWALS OF LEASES.] Notwithstanding the provisions of any lease of real property used for residential purposes, no person shall have the right to enforce any automatic renewal clause of a lease of an *original term of two months or more* which states, in effect, that the term thereof shall be deemed renewed for a specified additional period of time of *two months or more* unless the lessee or tenant gives notice to the lessor of his intention to quit the premises at the expiration of the term due to expire, unless the lessor or his agent, within 15 days prior to the time that the lessee or tenant is required to furnish notice of his intention to quit, but not more than 30 days prior thereto, shall give to the tenant written notice, served personally or by registered or certified mail, directing the lessee's or tenant's attention to the automatic renewal provision of the lease.

Sec. 2. Minnesota Statutes 1976, Section 566.18, Subdivision 6, is amended to read:

Subd. 6. "Violation" means:

(a) the a violation of any state, county or city health safety, housing, building, fire prevention, or housing maintenance code applicable to the building which materially endangers the health or safety of the tenants of the building involved. ;

(b) a violation of any of the covenants set forth in section 504.18, subdivision 1, clauses (a) or (b);

(c) a violation of an oral or written agreement, lease or contract for the rental of a dwelling in a building.

Sec. 3. Minnesota Statutes 1976, Section 566.18, Subdivision 8, is amended to read:

Subd. 8. "Inspector" means the person charged by the governing body of the political subdivision in which a building is situated, with the responsibility of enforcing provisions of local law, the breach of which could constitute a violation as defined in subdivision 6, *clause (a)*, or if no such person, the county health officer or the chairman of the board of county commissioners.

Sec. 4. Minnesota Statutes 1976, Section 566.19, Subdivision 2, is amended to read:

Subd. 2. After an inspection of a building has been made upon demand by a tenant, the owner or his agent and the complaining tenant shall be informed in writing by the inspector of any *code* violations discovered and a reasonable period of time shall be allowed in which to correct *such the* violations.

Sec. 5. Minnesota Statutes 1976, Section 566.19, Subdivision 3, is amended to read:

Subd. 3. Where *such* an inspection has been made, no action shall be brought pursuant to sections 566.18 to 566.33 except on expiration of the time thus granted without satisfactory repairs being accomplished to remove the *code* violations unless the tenant shall allege *such the* time is excessive.

Sec. 6. Minnesota Statutes 1976, Section 566.19, is amended by adding a subdivision to read:

Subd. 4. No action may be commenced pursuant to sections 566.18 to 566.33 by a tenant of a building in which a violation as defined in section 566.18, subdivision 6, clauses (b) or (c) is alleged to exist unless the owner is informed in writing of the alleged violation at least 14 days prior to the commencement of the action.

Sec. 7. Minnesota Statutes 1976, Section 566.20, Subdivision 4, is amended to read:

Subd. 4. The complaint shall be verified and shall:

(a) Allege material facts showing that there then exists in the building a violation or violations;

(b) State the relief sought;

(c) List the rents due each month from each dwelling unit within the building, if known; and

(d) *If the violation is a violation as defined in section 566.18, subdivision 6, clause (a)*, be accompanied by a copy of the official report of inspection by any department of health, housing or

buildings, certified by the custodian of records of ~~such that~~ department stating

- (1) when and by whom the building concerned was inspected,
- (2) what *code* violations were recorded, and
- (3) that notice of the *code* violations has been given to the building owner; or

(e) If the violation is a violation as defined in section 566.18, subdivision 6, clause (a), be accompanied by a statement that a request for inspection was made to the appropriate state, county or municipal department and demand made upon the owner to correct the *code* alleged violation and that a reasonable period of time has elapsed since ~~such the~~ demand or request was made.

Sec. 8. Minnesota Statutes 1976, Section 566.23, is amended to read:

566.23 [DEFENSES.] It shall be a sufficient defense that:

(a) The violation or violations alleged in the complaint do not in fact exist or that ~~such the~~ violation or violations have been removed or remedied; or

(b) ~~Such The~~ violations have been caused by the wilful, malicious, negligent or irresponsible conduct of a complaining tenant or anyone under his direction or control; or

(c) Any tenant of the building has unreasonably refused entry to the owner or his agent to a portion of the premises for the purpose of correcting ~~such the~~ violation, and ~~such the~~ effort to correct was made in good faith; or.

~~(d) Such violation or violations alleged in the complaint do not materially endanger the health or safety of the tenants of the dwelling.~~

Amend the title as follows:

Page 1, line 4, after "of" insert "statutory covenants or rental"

Page 1, line 4, strike "defining terms;" and insert "prohibiting the automatic renewal of certain leases; amending Minnesota Statutes 1976, Sections 504.21; 566.18, Subdivisions 6 and 8; 566.19, Subdivisions 2 and 3, and by adding a subdivision; 566.20, Subdivision 4; and 566.23."

Page 1, strike line 5

And when so amended the bill do pass. Amendments adopted. Report adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 1910, 1403, 2219, 2332, 1767, 1663, 2155, 1900, 2330, 1866, 1781, 2278, 2279, 2228, 2224, 2282, 2049, 933, 2025, 2111, 2080, 1822, 1598, 2432, 1884, 1973, 2192, 2190, 1940, 908, 2067,

830, 1605, 474, 2225, 1931, 37, 1416, 600 and 774 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Knoll introduced—

Senate Concurrent Resolution No. 11: A senate concurrent resolution designating May 1st of each year as Law Day U.S.A.

Referred to the Committee on Rules and Administration.

Mr. Solon moved that S. F. No. 1529 be stricken from General Orders and returned to author. The motion prevailed.

Mr. Stokowski moved that H. F. No. 2163 be withdrawn from the Committee on Governmental Operations and re-referred to the Committee on Rules and Administration for comparison with S. F. No. 2082 now on General Orders. The motion prevailed.

MEMBERS EXCUSED

Mr. Sikorski was excused from the Session of today at 11:30 o'clock a. m. Mr. Keefe, J. was excused from the Session of today at 1:30 o'clock p. m. Mr. Moe was excused from the Session of today at 4:00 o'clock p. m.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 9:00 o'clock a. m., Monday, March 13, 1978. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

NINETIETH DAY

St. Paul, Minnesota, Monday, March 13, 1978

The Senate met at 9:00 o'clock a.m. and was called to order by the President.

CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate. The following Senators answered to their names:

Ashbach	Gearty	Lewis	Peterson	Strand
Bang	Gunderson	Luther	Pillsbury	Stumpf
Benedict	Hanson	McCutcheon	Purfeerst	Tennessee
Borden	Johnson	Menning	Schmitz	Ulland, J.
Brataas	Keefe, S.	Merriam	Schrom	Vega
Chenoweth	Kirchner	Nelson	Setzpfandt	Wegener
Chmielewski	Kleinbaum	Nichols	Sieloff	Willet
Coleman	Knoll	Ogdahl	Sikorski	
Davies	Knutson	Olhoff	Spear	
Dieterich	Laufenburger	Olson	Staples	
Engler	Lessard	Penny	Stokowski	

The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Richard Nelson.

The roll was called, and the following Senators answered to their names:

Ashbach	Gearty	Laufenburger	Penny	Staples
Bang	Gunderson	Lessard	Peterson	Stokowski
Benedict	Hanson	Lewis	Pillsbury	Strand
Bernhagen	Humphrey	Luther	Purfeerst	Stumpf
Borden	Jensen	McCutcheon	Renneke	Tennessee
Brataas	Johnson	Menning	Schaaf	Ulland, A.
Chenoweth	Keefe, J.	Merriam	Schmitz	Ulland, J.
Chmielewski	Keefe, S.	Moe	Schrom	Vega
Coleman	Kirchner	Nelson	Setzpfandt	Wegener
Davies	Kleinbaum	Nichols	Sieloff	Willet
Dieterich	Knaak	Ogdahl	Sikorski	
Engler	Knoll	Olhoff	Solon	
Frederick	Knutson	Olson	Spear	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

MEMBERS EXCUSED

Messrs. Anderson, Dunn, Hughes, Perpich and Sillers were

excused from the Session of today. Mr. Moe was excused from the Session of today until 11:00 o'clock a.m. Mr. Sikorski was excused from the Session of today at 10:45 o'clock a.m.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bill was read the first time and referred to the committee indicated.

Messrs. Bernhagen, Olhoff, Gearty, Schmitz and Renneke introduced—

S. F. No. 2405: A bill for an act relating to education; curriculum; requiring presentation of certain theories of origin in public schools.

Referred to the Committee on Education.

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. 1693: A bill for an act relating to the national guard; increasing the pay for enlisted persons on active duty; amending Minnesota Statutes 1976, Section 192.51.

Senate File No. 1693 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 11, 1978

Mr. Schmitz moved that S. F. No. 1693 be laid on the table. 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. 1943: A bill for an act relating to forests; regulating the maintenance of fires therein; amending Minnesota Statutes 1976, Sections 88.01, by adding a subdivision; 88.10; 88.16; 88.17; 88.22; 88.73; 88.75, Subdivision 1; 88.76; 88.77; and 88.78.

Senate File No. 1943 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned March 11, 1978

Mr. Luther moved that S. F. No. 1943 be laid on the table. 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. 2342: A bill for an act relating to Olmsted county; authorizing the board of county commissioners to finance an addition to and to renovate the Olmsted county hospital.

Senate File No. 2342 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned March 11, 1978

CONCURRENCE AND REPASSAGE

Mrs. Brataas moved that the Senate concur in the amendments by the House to S. F. No. 2342 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 2342 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 51 and nays 0, as follows:

Ashbach	Gunderson	Lewis	Pillsbury	Strand
Bang	Hanson	Luther	Purfeerst	Stumpf
Benedict	Johnson	Menning	Schmitz	Tennessee
Brataas	Keefe, J.	Merriam	Schrom	Ulland, J.
Chenoweth	Keefe, S.	Nelson	Setzpfandt	Vega
Chmielewski	Kirchner	Nichols	Sieloff	Wegener
Coleman	Kleinbaum	Ogdahl	Sikorski	Willet
Davies	Knoll	Olhoff	Solon	
Dieterich	Knutson	Olson	Spear	
Engler	Laufenburger	Penny	Staples	
Gearty	Lessard	Peterson	Stokowski	

So the bill, as amended, was repassed and its title was agreed to.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Tennessee from the Committee on Commerce, to which was referred

H. F. No. 1009: A bill for an act relating to economic development; changing certain requirements for loan eligibility through the Minnesota area redevelopment administration; amending Minnesota Statutes 1976, Section 472.11, by adding subdivisions.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Tennesen from the Committee on Commerce, to which was referred

H. F. No. 2214: A bill for an act relating to mutual insurance companies; providing for their conversion into stock companies; protecting the rights of guaranty fund certificate holders; amending Minnesota Statutes 1976, Section 66A.16, by adding a subdivision.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Tennesen from the Committee on Commerce, to which was referred

H. F. No. 515: A bill for an act relating to telephone companies; prohibiting charges for directory assistance; amending Minnesota Statutes 1976, Chapter 237, by adding a section.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, strike lines 8 to 13

Re-number the remaining section

Page 1, line 21, after "*assistance*" insert "*for less than six calls per month or for any numbers which are outside the toll free area, which are to be included in the regular monthly service charge*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Tennesen from the Committee on Commerce, to which was referred

H. F. No. 649: A bill for an act relating to intoxicating liquor; authorizing certain counties to issue off-sale liquor licenses in unorganized areas of the county; amending Minnesota Statutes 1976, Section 340.11, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 8, insert:

"Section 1. Minnesota Statutes 1976, Section 340.034, is amended by adding a subdivision to read:

Subd. 4. Notwithstanding the provisions of this section, non-intoxicating malt liquor may be sold on the day of any statewide election if sales are authorized by the governing body of the municipality."

Page 1, after line 23, insert:

"Sec. 3. Minnesota Statutes 1976, Section 340.14, is amended by adding a subdivision to read:

Subd. 6. Notwithstanding the provisions of this section, intoxi-

cating liquor may be sold on the day of any statewide election if sales are authorized by the governing body of the municipality."

Renumber the sections in sequence

Further, amend the title as follows:

Page 1, line 2, after the semicolon, insert "providing for a local option on sales on statewide election days;"

Page 1, line 5, strike "Section" and insert "Sections 340.034, by adding a subdivision;"

Page 1, line 6, after "subdivision" insert "; and 340.14, by adding a subdivision"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Tennesen from the Committee on Commerce, to which was referred

H. F. No. 1707: A bill for an act relating to automobile insurance; authorizing exclusion of certain high risk drivers from household coverages; requiring exclusion of such drivers from premium calculations under certain circumstances; prescribing penalties; amending Minnesota Statutes 1976, Chapter 65B, by adding a section.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 65B.44, Subdivision 1, is amended to read:

65B.44 [BASIC ECONOMIC LOSS BENEFITS.] Subdivision 1. [INCLUSIONS.] Basic economic loss benefits shall provide reimbursement for all loss suffered through injury arising out of the maintenance or use of a motor vehicle, subject to any applicable deductibles, exclusions, disqualifications, and other conditions, and shall provide a maximum of ~~\$30,000~~ \$60,000 for loss arising out of the injury of any one person, consisting of:

(a) ~~\$20,000~~ \$40,000 for medical expense loss arising out of injury to any one person; and

(b) A total of ~~\$10,000~~ \$20,000 for income loss, replacement services loss, funeral expense loss, survivor's economic loss, and survivor's replacement services loss arising out of the injury to any one person.

Sec. 2. Minnesota Statutes 1976, Section 65B.47, is amended by adding a subdivision to read:

Subd. 7. If two or more insurance policies covering basic economic loss benefits are in force, the amount of recovery shall not exceed the amount which could be recovered in basic economic

loss benefits under one policy. The existence of two or more insurance policies covering basic economic loss benefits shall not increase the amount of recovery for basic economic loss benefits beyond that provided by one insurance policy.

Sec. 3. Minnesota Statutes, 1977 Supplement, Section 65B.53, Subdivision 1, is amended to read:

65B.53 [INDEMNITY; ARBITRATION BETWEEN OBLIGORS; SUBROGATION.] Subdivision 1. A reparation obligor paying or obligated to pay basic or optional economic loss benefits is entitled to indemnity subject to the limits of the applicable residual liability coverage from a reparation obligor providing residual liability coverage on a commercial vehicle of more than 5,000 pounds gross weight if negligence in the operation, maintenance or use of the commercial vehicle was the direct and proximate cause of the injury for which the basic economic loss benefits were paid or payable to the extent that the insured would have been liable for damages but for the deduction provisions of section 65B.51, subdivision 1.

Sec. 4. Minnesota Statutes 1976, Section 65B.61, is amended to read:

65B.61 [BENEFITS PRIMARY; SUBTRACTIONS; COORDINATION.] Subdivision 1. Basic economic loss benefits shall be primary with respect to benefits, except for those paid or payable under a workers compensation law , *medicare or medical assistance* , which any person receives or is entitled to receive from any other source as a result of injury arising out of the maintenance or use of a motor vehicle.

Subd. 2. Benefits paid or payable under a workers compensation law , *medicare or medical assistance* because of the injury or death shall be subtracted in computing basic economic loss benefits, but only to the extent that they exceed any deductible applicable to the basic economic loss benefits.

Subd. 3. Any legally constituted entity, other than a reparation obligor obligated to pay benefits under a plan of reparation security or an insurer or employer obligated to pay benefits under a workers compensation law , *medicare or medical assistance* , may coordinate any benefits it is obligated to pay for loss incurred as a result of injury arising out of the maintenance or use of a motor vehicle with basic economic loss benefits.

Subd. 4. Notwithstanding subdivision 3, no entity may coordinate benefits unless it provides those persons who purchase benefits from it with an equitable reduction or savings in the direct or indirect cost of the purchased benefits. If the benefits to be coordinated are provided to an individual through a group, program, contract or other arrangement for which another person pays in whole or in part, the entity coordinating benefits shall return to the individual or use for his benefit any reduction or savings in the direct or indirect cost of the benefits.

Sec. 5. Minnesota Statutes 1976, Section 65B.67, is amended to read:

65B.67 [PENALTIES FOR FAILURE TO PROVIDE SECURITY FOR BASIC REPARATION BENEFITS.] Subdivision 1. Every owner of a motor vehicle or *motorcycle* for which security has not been provided as required by section 65B.48, shall not by the provisions of this chapter be relieved of tort liability arising out of the operation, ownership, maintenance or use of the motor vehicle or *motorcycle*.

Subd. 2. Any owner of a motor vehicle or *motorcycle* with respect to which security is required under Laws 1974, Chapter 403 sections 65B.41 to 65B.71, who operates ~~such the~~ motor vehicle or *motorcycle* or permits it to be operated upon a public highway, street or road in this state and who knows or ~~who~~ has reason to know that the *motor vehicle or motorcycle* does not have security complying with the terms of section 65B.48, is guilty of a misdemeanor.

Subd. 3. Any other person who operates ~~such a~~ motor vehicle or *motorcycle* upon a public highway, street or road in this state with knowledge that the owner does not have ~~such~~ security complying with the terms of section 65B.48 in full force and effect is guilty of a misdemeanor.

Subd. 4. Any operator of a motor vehicle or *motorcycle* who is convicted of a misdemeanor under the terms of this section shall have his operator's license revoked for not more than 12 months. If ~~such the~~ operator is also an owner of the motor vehicle or *motorcycle*, ~~his motor vehicle~~ the registration of the motor vehicle or *motorcycle* shall also be revoked for not more than 12 months. Before reinstatement of an operator's license or registration, the operator shall file with the commissioner of public safety the written certificate of an insurance carrier authorized to do business in this state stating that security has been provided by the operator as required by section 65B.48.

Subd. 4a. The commissioner of public safety may revoke the registration of any motor vehicle or *motorcycle* without preliminary hearing upon a showing by department records or other sufficient evidence that security required by section 65B.48 has not been provided and maintained. Before reinstatement of a ~~vehicle~~ the registration, there shall be filed with the commissioner of public safety the written certificate of an insurance carrier authorized to do business in the state stating that security has been provided as required by section 65B.48. The commissioner of public safety may require the certificate of insurance provided to satisfy this subdivision to be certified by the insurance carrier to be noncancelable for a period not to exceed one year.

Subd. 5. When a nonresident's operating privilege is suspended pursuant to this section, the commissioner of public safety or his designee shall transmit a copy of the record of ~~such the~~ action to the official in charge of the issuance of licenses in the state in which the nonresident resides.

Subd. 6. Upon receipt of ~~such~~ notification that the operating privilege of a resident of this state has been suspended or revoked

in any other state pursuant to a law providing for its suspension or revocation for failure to deposit security for the payment of judgments arising out of a motor vehicle or motorcycle accident, or for failure to provide security covering a motor vehicle or motorcycle if required by the laws of that state, the commissioner of public safety shall suspend the operator's license of the resident until he furnishes evidence of compliance with the laws of this state and if applicable the laws of the other state.

Sec. 6. Minnesota Statutes 1976, Chapter 65B, is amended by adding a section to read:

[65B.471] [PRIORITY OF COVERAGE ON HIGH RISK DRIVERS.] *Notwithstanding the provisions of section 65B.47, upon request by the owner of a motor vehicle and only with respect to injury suffered in an accident occurring while the vehicle is operated by a named high risk driver, an insurer may specify that the basic economic loss and residual liability coverages on the vehicle are secondary to the coverages made available under any other policy or policies of motor vehicle insurance under which the high risk driver is a named insured.*"

Further, amend the title as follows:

Page 1, line 2, after the semicolon insert "changing basic economic loss benefits; prohibiting dual recovery of basic economic loss benefits; placing a weight limitation on commercial vehicles; providing for coordination of benefits; requiring security for motorcycles"

Page 1, line 4, strike "requiring exclusion of such"

Page 1, strike line 5

Page 1, line 6, strike "circumstances; prescribing penalties"

Page 1, line 7, before "Chapter" insert "Sections 65B.44, Subdivision 1; 65B.47, by adding a subdivision; 65B.61; 65B.67;"

Page 1, line 8, after "section" insert "; and Minnesota Statutes, 1977 Supplement, Section 65.53, Subdivision 1"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was re-referred

H. F. No. 316: A bill for an act relating to wrongful death; authorizing the commencement of an action within three years from the date of death; amending Minnesota Statutes 1976, Section 573.02, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Strike the Judiciary Committee amendments adopted by the Senate May 10, 1977 and amend H. F. No. 316 as follows:

Page 1, line 15, strike "such" and insert "the"

Page 1, line 15, strike "The" and insert "An action to recover damages for a death caused by the alleged professional negligence of a physician, surgeon, dentist, hospital or sanatorium, or an employee of a physician, surgeon, dentist, hospital or sanatorium shall be commenced within the time set forth in section 541.07, subdivision 1. Any other action under this section"

Page 1, line 16, strike "action"

Page 1, line 19, strike the first "such" and insert "the"

Page 1, line 19, strike "such an" and insert "the"

Page 1, line 19, strike "as"

Page 1, line 21, strike "such" and insert "the"

Page 2, lines 7 and 13, strike "such" and insert "the"

Page 2, line 9, strike "such"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 2373: A bill for an act relating to courts; permitting referees in certain courts; repealing Minnesota Statutes, 1977 Supplement, Section 484.70.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 484.545, Subdivision 1, is amended to read:

484.545 [LAW CLERKS.] Subdivision 1. The district judges regularly assigned to hold court in each judicial district except for the second and fourth judicial districts may by orders filed with the clerk of court and county auditor of each county in the district appoint a competent law clerk for every ~~three~~ *two* district court judges and ~~additional fraction of three~~ judges of the judicial district.

Sec. 2. Minnesota Statutes, 1977 Supplement, Section 484.70, is amended to read:

484.70 [REFEREE POSITIONS ABOLISHED.] *Subdivision 1.* Notwithstanding any other provision of law, the position of referee in the county municipal and district courts of the state is hereby abolished, *except that persons holding the office of referee full time on June 2, 1977, in the second, fourth and sixth judicial districts may continue to serve at the pleasure of the chief judge of the district under the terms and conditions of their appointment. All referees are subject to the administrative authority and assignment power of the chief judge of the district as provided in section 484.69, subdivision 3.*

Subd. 2. Except for an initial hearing on the matter, no family court referee may hear any proceeding for civil contempt which is contested or any final trial involving a contested case if either party or his attorney objects in writing to the assignment of a referee to hear the matter. The court may, by rule, specify the time within which the objection must be filed.

Subd. 3. No juvenile court referee may hear a contested trial, or a disposition in which an order for confinement may be made, or any motion made pursuant to section 260.125.

Sec. 3. Minnesota Statutes, 1977 Supplement, Section 487.08, is amended to read:

487.08 [JUDICIAL OFFICERS; OFFICE ABOLISHED.] *Subdivision 1. The office of judicial officer is abolished.*

Subd. 2. Persons holding the office of judicial officer full time on January 1, 1978, in St. Louis and Steele counties may continue to serve at the pleasure of the chief judge of the district under the terms and conditions of their appointment. One additional full time judicial officer may be appointed in St. Louis county; and one full time judicial officer may be appointed in Carlton county.

Subd. 3. The person holding the office of judicial officer in Nobles and Rock counties on January 1, 1978 may continue to serve at the pleasure of the chief judge of the district under the terms and conditions of his appointment.

Subd. 4. The person holding the office of judicial officer in Beltrami county on January 1, 1978 may continue to serve at the pleasure of the chief judge of the district under the terms and conditions of his appointment until December 31, 1981, or until a judge learned in the law assumes office in the Clearwater county court, whichever occurs sooner.

Subd. 5. All judicial officers are subject to the administrative authority and assignment power of the chief judge of the district as provided in section 484.69, subdivision 3.

Sec. 4. Minnesota Statutes 1976, Section 508.13, is amended to read:

508.13 [REFERENCES TO EXAMINERS; POWERS; REPORTS.] Immediately after the filing of the abstract of title, the court shall enter an order referring the application to an examiner of titles, who shall proceed to examine into the title of the land described in the application, and into the truth of all matters set forth therein. He shall ascertain whether or not the land is occupied, and, if occupied, he shall ascertain the nature thereof, and by what right the occupation is held. He shall also ascertain whether or not any judgments exist which may be a lien upon the land. He shall search all public records, and fully investigate all facts pertaining to the title which may be brought to his notice, and shall file in the case a full report thereof, together with his opinion upon the title. The court shall not be bound by any report of the examiner of titles, but may require further or other proof. An examiner of titles shall have full power to administer

oaths and examine witnesses concerning any matter involved in his investigation of titles. In such matters he shall possess the same authority as is vested by law in referees appointed by the district court. When, in the opinion of the examiner, the state has any interest in, or lien upon, the land, he shall state the nature and character thereof in his report, and in such cases, the state shall be joined as a party, and named in the summons as a party thereto, in order that its interest, estate or lien may be defined and preserved. The clerk shall give notice to the applicant of the filing of such report. If the report of the examiner is adverse to the applicant, he shall have a reasonable time in which to proceed further, or to withdraw his application. This election shall be made in writing and filed with the clerk. Examiners shall, upon the request of the registrar, advise him upon any act or duty pertaining to the conduct of his office, or prepare the form of any memorial to be made or entered by the registrar.

In all cases where under the provisions of this chapter application is made to the court for any order or decree, the court may refer the matter to the examiner of titles for hearing and report in like manner as herein provided for the reference of the initial application for registration.

Sec. 5. Minnesota Statutes 1976, Section 508.20, is amended to read:

508.20 [TRIAL; REFERENCE.] When an answer is filed, the case shall be tried by the court in like manner as an ordinary civil action. The court may refer the case, or any part thereof, to one of the examiners, as referee, to hear the parties and their evidence, and make report thereon to the court. ~~Any report of an examiner shall have the same weight as that of a referee appointed by the district court.~~ After the filing of such ~~the~~ report, the court may order such other or further hearing of the cause before the court, or before the examiner, and may require such other or further proof by any of the parties to the cause as it shall deem proper.

Sec. 6. [VACANCIES.] *No vacancy in the office of referee or judicial officer shall be filled, nor new office created, except as specified in section 487.08, subdivision 2. If the chief justice certifies, after investigation by the state court administrator, that the judicial personnel of the district are working at maximum capacity and that the work of the district cannot be accomplished with present judicial personnel, including those temporarily transferred from other judicial districts pursuant to section 2.724, a temporary referee or judicial officer may be appointed for a period not to exceed one year.*"

Amend the title as follows:

Strike the title in its entirety and insert:

"A bill for an act relating to court referees; permitting the appointment of law clerks; providing for certain referees and judicial officers; prescribing and limiting their duties; amending Minnesota Statutes 1976, Sections 484.545, Subdivision 1; 503.13;

and 508.20; and Minnesota Statutes, 1977 Supplement, Sections 484.70; and 487.08.”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Finance, to which was referred

H. F. No. 523: A bill for an act relating to public safety; requiring fencing of unused open pit mines; providing a penalty; amending Minnesota Statutes 1976, Section 180.03.

Reports the same back with the recommendation that the bill be amended as follows:

Page 4, line 5, before “certified” insert “by”

Page 4, line 13, strike “1978” and insert “1979”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred H. F. No. 1286 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.
1286					1404

And that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred H. F. No. 2163 for comparison with companion Senate File, reports the following House File was found not identical with 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.
2163					2082

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2163 be amended as follows:

Page 1, line 10, delete “[356.41]” and insert “[356.40]”

And when so amended H. F. No. 2163 will be identical to S. F. No. 2082, and further recommends that H. F. No. 2163 be given

its second reading and substituted for S. F. No. 2082, 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. Coleman from the Committee on Rules and Administration, to which was referred H. F. No. 669 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.
669	1759				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 669 be amended as follows:

Strike all the language after the enacting clause of H. F. No. 669 and insert the language after the enacting clause of S. F. No. 1759, as amended by the Committee on Agriculture and Natural Resources, adopted by the Senate March 1, 1978; further, strike the title of H. F. No. 669 and insert the title of S. F. No. 1759, as amended.

And when so amended H. F. No. 669 will be identical to S. F. No. 1759, and further recommends that H. F. No. 669 be given its second reading and substituted for S. F. No. 1759, 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. Coleman from the Committee on Rules and Administration, to which were referred H. F. Nos. 2151, 1754, 2177, 1786, 2052, 1790, 1976, 2256, 2233, and 1599 for comparison with companion Senate Files, reports the following House Files were found not identical with their companion Senate Files 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.
2151	2003				
1754	1703				
2177	1973				
1786	1917				
2052	1908				
1790	1747				
1976	1882				
2256	2106				
2233	2111				
1599	1543				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2151 be amended as follows:

Page 2, delete lines 3 to 32

Delete page 3

Page 4, delete lines 1 to 5

Page 4, line 21, delete "*therefore*" and insert "*therefor*" and after "*treasurer*" insert "*made after the effective date of this act*"

Page 4, line 24, delete "*such*" and insert "*the*"

Page 4, after line 24 insert

"Sec. 4. Laws 1977, Chapter 137, Section 14, is amended to read:

Sec. 14. This act is effective July 1, 1977, such that reports due on or before November 1, or in the case of life insurance corporations, reports due on or before May 1, pursuant to section 345.41, shall reflect property presumed abandoned by reason of expiration of the time periods provided for the particular type of property as of the previous June 30, or in the case of life insurance corporations, as of the previous December 31, as those periods are amended by Laws 1977, Chapter 137, Sections 3, 4, 5, and 6."

Renumber the sections accordingly

Further amend the title as follows:

Page 1, line 4, after the semicolon insert "clarifying the reporting requirements;"

Page 1, lines 6 and 7 delete "Minnesota Statutes, 1977 Supplement, Section 345.41" and insert "Laws 1977, Chapter 137, Section 14"

And when so amended H. F. No. 2151 will be identical to S. F. No. 2003, and further recommends that H. F. No. 2151 be given its second reading and substituted for S. F. No. 2003, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1754 be amended as follows:

Delete page 1, line 14 to page 4, line 11

Page 4, line 27, delete "*schools*" and insert "*school districts*"

Renumber the sections in sequence

Further, delete the title and insert

"A bill for an act relating to education; school boards; planning task force; providing for removal of task force members; amending Minnesota Statutes, 1977 Supplement, Section 122.86, Subdivision 3."

And when so amended H. F. No. 1754 will be identical to S. F. No. 1703, and further recommends that H. F. No. 1754 be given its second reading and substituted for S. F. No. 1703, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2177 be amended as follows:

Page 1, line 22, after "years" insert "by the constant manipulation of our American servicemen"

And when so amended H. F. No. 2177 will be identical to S. F. No. 1973, and further recommends that H. F. No. 2177 be given its second reading and substituted for S. F. No. 1973, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1786 be amended as follows:

Page 2, lines 13 to 16, delete the underscored language

Page 2, line 20, after "child" insert "with necessary"

Page 2, line 21, delete "other parental" and insert "medical" and delete "required by law"

Page 3, line 2, delete "the" and insert "a"

Page 5, line 30, after "private" insert "data on individuals"

Page 6, line 2, after "private" insert "data on individuals"

Page 6, line 31, delete "and" and insert "or"

And when so amended H. F. No. 1786 will be identical to S. F. No. 1917, and further recommends that H. F. No. 1786 be given its second reading and substituted for S. F. No. 1917, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2052 be amended as follows:

Page 1, lines 15 and 16, strike "also if of the obstruction type, in effect reduces" and insert "may reduce"

Page 1, lines 17 and 18, strike "thus tending to destroy or impair" and insert "thereby impairing"

Page 1, line 19 to page 2, line 2, delete the underscored language

Page 2, lines 10 to 16, delete the underscored language

Delete page 3, line 11 to page 4, line 17 and insert

"Subd. 1a. [PROTECTION OF EXISTING NEIGHBORHOODS.] No standards or regulations shall be adopted pursuant to sections 360.061 to 360.074 by the commissioner or by any joint airport zoning board or joint airport operating board that classify as a nonconforming use or require such classification with respect to any residential structure or undeveloped parcel of real property consisting of residential building lots existing on January 1, 1978 in an established residential neighborhood. Any such standards or regulations may permit or require the classification of any residential structure as an airport hazard and provide for the alteration or acquisition and removal of such a structure at public expense regardless of classification of that structure as a conforming use."

Sec. 4. Minnesota Statutes 1976, Section 360.066, is amended by adding a subdivision to read:

Subd. 1b. Within nine months after the effective date of this act the commissioner shall amend the minimum standards defining airport hazard areas and categories of uses permitted therein to conform with the requirements of section 3 of this act. If the commissioner fails to adopt amended standards as required by this section the unamended standards, insofar as they require classification of any residential property as a conforming use contrary to the provisions of section 3, shall be without force or effect until those amended standards are adopted."

Renumber sections in sequence

Further, amend the title as follows:

Line 6, delete "a subdivision" and insert "subdivisions"

And when so amended H. F. No. 2052 will be identical to S. F. No. 1908, and further recommends that H. F. No. 2052 be given its second reading and substituted for S. F. No. 1908, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1790 be amended as follows:

Page 2, line 18, after "consent" insert a comma

And when so amended H. F. No. 1790 will be identical to S. F. No. 1747, and further recommends that H. F. No. 1790 be given its second reading and substituted for S. F. No. 1747, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1976 be amended as follows:

Page 1, delete lines 17 to 22 and insert "*insignia thereon, or any other part thereof. A person who voluntarily notifies a law enforcement agency that he is in possession of such an article, and who returns the article within ten days after gaining possession thereof, shall not be subject to prosecution for such possession.*"

And when so amended H. F. No. 1976 will be identical to S. F. No. 1882, and further recommends that H. F. No. 1976 be given its second reading and substituted for S. F. No. 1882, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2256 be amended as follows:

Page 1, line 18, before "*federal*" insert "*and appropriate*"

And when so amended H. F. No. 2256 will be identical to S. F. No. 2106, and further recommends that H. F. No. 2256 be given its second reading and substituted for S. F. No. 2106, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2233 be amended as follows:

Page 2, line 3, delete the semicolon and insert a period

Page 2, delete line 4

And when so amended H. F. No. 2233 will be identical to S. F. No. 2111, and further recommends that H. F. No. 2233 be given its second reading and substituted for S. F. No. 2111, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1599 be amended as follows:

Page 2, line 3, strike "*benefits*" and strike "*based upon such*"

Page 2, line 4, strike "*services*"

Page 2, line 9, strike "*such*" wherever it appears and insert "*the*"

Page 2, line 10, strike "*such*" and insert "*the*"

Page 2, line 11, strike "*such*" and insert "*the*"

Page 2, line 13, strike "*or said*"

Page 2, line 14, after "schools" insert ", or *developmental achievement center*" and strike "such" and insert "the"

Page 2, line 22, delete "*development*" and insert "*developmental*"

Page 2, line 25, strike "such" and insert "these"

Page 2, line 27, strike "such" wherever it appears and insert "the"

Page 2, line 28, strike "such" and insert "the"

Page 2, line 29, strike "such" wherever it appears and insert "the"

Page 2, line 30, strike "such" and insert "the"

Page 2, line 32, strike "such" and insert "the"

Page 3, line 3, strike "such" wherever it appears and insert "the"

Page 3, line 4, strike "such" and insert "the"

Page 3, line 6, strike "such" wherever it appears and insert "the"

Page 3, line 7, strike "such" and insert "the"

Page 3, line 8, before "For" insert "School year" and delete "*development*" and insert "*developmental*"

Page 3, line 10, delete "*school year*" and insert a comma

Page 3, after line 11 insert a new section to read

"Sec. 2. [EFFECTIVE DATE.] This act is effective the day following final enactment."

Further, amend the title as follows:

Page 1, line 3, delete "development achievement" and insert "daytime activity"

And when so amended H. F. No. 1599 will be identical to S. F. No. 1543, and further recommends that H. F. No. 1599 be given its second reading and substituted for S. F. No. 1543, 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. Purfeerst from the Committee on Transportation, to which was referred

H. F. No. 2429 A bill for an act relating to the cities of Mankato and North Mankato; prohibiting regulation of the rates of the public transit system by the public service commission.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 11, strike "in Mankato and North" and insert "for regular route service provided to the cities of Mankato and North Mankato, and additionally to other communities within Blue Earth or Nicollet counties not already provided similar service by private bus carriers."

Page 1, strike lines 12 and 13

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Coleman from the Subcommittee on Bill Scheduling, to which were referred S. F. Nos. 1874, 1654, 370, 1738, 1930, 1876, and H. F. Nos. 1826, 1394, 2372, 526, 1981, 1736, 1114, 1965, 2003, 1424, makes the following report:

That S. F. Nos. 1874, 1654, 370, 1738, 1930, 1876, and H. F. Nos. 1826, 1394, 2372, 526, 1981, 1736, 1114, 1965, 2003, 1424 be placed on the General Orders Calendar in the order indicated.

That there were no other bills before the Subcommittee on which floor action was requested. Report adopted.

SECOND READING OF SENATE BILLS

S. F. Nos. 2373 and 2404 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. Nos. 2214, 1286, 2163, 669, 2151, 1754, 2177, 1786, 2052, 1790, 1976, 2256, 2233 and 1599 were read the second time.

H. F. Nos. 1009, 515, 649, 1707, 316, 523 and 2429 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS

Mr. Vega moved that S. F. No. 2256, No. 88 on General Orders, be stricken and returned to its author. The motion prevailed.

Mr. Vega moved that S. F. No. 2348, No. 119 on General Orders, be stricken and returned to its author. The motion prevailed.

Mr. Willet moved that the report from the Committee on Agriculture and Natural Resources reported March 11, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Willet moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Willet moved that in accordance with the report from the Committee on Agriculture and Natural Resources, reported March

11, 1978, the Senate, having given its advice, do now consent to and confirm the appointment of:

STATE SOIL AND WATER CONSERVATION BOARD

Clarence Ettesvold, Route 1, Morris, Stevens County, effective January 1, 1978, for a term expiring the first Monday in January, 1982.

The motion prevailed. So the appointment was confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Willet moved that the report from the Committee on Agriculture and Natural Resources, reported March 11, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Willet moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Willet moved that in accordance with the report from the Committee on Agriculture and Natural Resources, reported March 11, 1978, the Senate, having given its advice, do now consent to and confirm the appointments of:

MINNESOTA POLLUTION CONTROL AGENCY

Art Engelbrecht, RFD #4, Alexandria, Douglas County, effective January 2, 1978, for a term expiring the first Monday in January, 1982.

Steve Gadler, 2120 Carter Avenue, St. Paul, Ramsey County, effective January 2, 1978, for a term expiring the first Monday in January, 1982.

The motion prevailed. So the appointments were confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Willet moved that the report from the Committee on Agriculture and Natural Resources, reported March 11, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Willet moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Willet moved that in accordance with the report from the Committee on Agriculture and Natural Resources, reported March 11, 1978, the Senate, having given its advice, do now consent to and confirm the appointment of:

MINNESOTA ENVIRONMENTAL QUALITY BOARD

Allan E. Mulligan, 11421 Live Oak Drive, Minnetonka, Hennepin County, effective January 18, 1978, for a term expiring the first Monday in January, 1979.

The motion prevailed. So the appointment was confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Olson moved that the report from the Committee on General Legislation and Veterans Affairs, reported March 11, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Olson moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Olson moved that in accordance with the report from the Committee on General Legislation and Veterans Affairs, reported March 11, 1978, the Senate, having given its advice, do now consent to and confirm the appointment of:

BOARD OF THE ARTS

Stephen F. Keating, 688 Hillside Dr., Wayzata, Hennepin County, effective January 12, 1978, for a term expiring the first Monday in January, 1982.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 35 and nays 18, as follows:

Those who voted in the affirmative were:

Ashbach	Davies	Kleinbaum	Ogdahl	Staples
Bang	Engler	Knaak	Olson	Stokowski
Benedict	Gearty	Knoll	Peterson	Stumpf
Borden	Humphrey	Knutson	Pillsbury	Tennessee
Brataas	Johnson	Lewis	Renneke	Ueland, A.
Chmielewski	Keefe, J.	McCutcheon	Sieloff	Ulland, J.
Coleman	Kirchner	Merriam	Solon	Willet

Those who voted in the negative were:

Dieterich	Luther	Olhoft	Schmitz	Strand
Gunderson	Menning	Penny	Setzepfandt	Wegener
Laufenburger	Nelson	Purfeerst	Sikorski	
Lessard	Nichols	Schaaf	Spear	

The motion prevailed. So the appointment was confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Olson moved that the report from the Committee on General Legislation and Veterans Affairs, reported March 11, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Olson moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Olson moved that in accordance with the report from the Committee on General Legislation and Veterans Affairs, reported March 11, 1978, the Senate, having given its advice, do now consent to and confirm the appointment of:

BOARD OF THE ARTS

Mary Leach, 424 Prospect, Owatonna, Steele County, effective November 18, 1977, for a term expiring the first Monday in January, 1980.

The motion prevailed. So the appointment was confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Davies moved that the report from the Committee on Judiciary, reported March 8, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Davies moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Davies moved that in accordance with the report from the Committee on Judiciary, reported March 8, 1978, the Senate, having given its advice, do now consent to and confirm the appointments of:

TAX COURT OF APPEALS

John Knapp, 250 1st Street, Albany, Stearns County, effective January 1, 1977, for a term expiring January 1, 1979.

Earl B. Gustafson, 700 1st National Bank Building, Duluth, St. Louis County, effective January 1, 1977, for a term expiring January 1, 1983.

Jack Fena, 311 East Howard Street, Hibbing, St. Louis County, effective January 1, 1977, for a term expiring January 1, 1981.

The motion prevailed. So the appointments were confirmed.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 622 a Special Order to be heard immediately.

S. F. No. 622: A bill for an act relating to liquified petroleum gas and other pipelines; requiring minimum depth in certain areas; allowing an informed waiver of the depth requirement; limiting landowners liability; imposing duties on the state fire marshal; providing a remedy for violations; amending Minnesota Statutes 1976, Section 299F.61; and Chapter 299F, by adding a section.

Mr. Setzepfandt moved to amend S. F. No. 622 as follows:

Page 2, after line 27, insert:

"Subd. 3. [EFFECTIVENESS OF REQUIREMENT.] If the minimum burial depth requirement of this section is found to be unconstitutional and void with respect to pipelines transporting one or more of the substances enumerated in subdivision 1, the requirement shall remain effective with respect to pipelines transporting any of the other enumerated substances."

The motion prevailed. So the amendment was adopted.

Mr. Setzepfandt then moved to amend S. F. No. 622 as follows:

Page 4, line 1, strike " "Ordinary conduct of"

Page 4, strike lines 2 and 3

Page 4, line 4, after "Subd. 2." insert " "Ordinary conduct of agricultural operations," as that term is used in subdivision 1, includes the installation or repair of agricultural drainage tile; provided that"

Page 4, line 17, strike "or registered"

The motion prevailed. So the amendment was adopted.

S. F. No. 622 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Lessard	Peterson	Stokowski
Bang	Hanson	Lewis	Pillsbury	Strand
Benedict	Humphrey	Luther	Purfeerst	Stumpf
Bernhagen	Jensen	McCutcheon	Renneke	Tennessee
Borden	Johnson	Menning	Schaaf	Ueland, A.
Brataas	Keefe, J.	Merriam	Schmitz	Ulland, J.
Chenoweth	Keefe, S.	Moe	Schrom	Vega
Chmielewski	Kirchner	Nelson	Setzepfandt	Wegener
Coleman	Kleinbaum	Nichols	Sieloff	Willet
Davies	Knaak	Ogdahl	Sikorski	
Dieterich	Knoll	Olhoff	Solon	
Engler	Knutson	Olson	Spear	
Gearty	Laufenburger	Penny	Staples	

So the bill, as amended, passed and its title was agreed to.

SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolu-

tions, Mr. Coleman moved to take up the Senate Calendar and waive the lie-over requirement. The motion prevailed.

THIRD READING OF SENATE BILLS

S. F. No. 1: A bill for an act relating to solid and hazardous waste and toxic substances; requiring licensing of retailers selling certain beverages and prohibiting certain retail practices; requiring a study of the environmental and economic consequences of packaging restrictions; prohibiting littering; providing for technology assessments and related research directed to certain goals; requiring studies and reports by the state planning agency, the pollution control agency, and the energy agency; establishing a temporary legislative commission on solid and hazardous waste; delaying temporarily the acquisition of land for and construction of a hazardous waste facility in the metropolitan area; changing procedures for the appointment of the director of the environmental education board; requiring regional solid waste plans; providing penalties; appropriating funds; amending Minnesota Statutes 1976, Sections 116E.03, Subdivisions 7, 7a, and 8; 116F.06, Subdivision 3; 174.02, Subdivision 2; Minnesota Statutes 1977 Supplement, Section 116F.22, Subdivision 1; repealing Minnesota Statutes 1976, Sections 85.20, Subdivision 6; 169.42; and 609.68.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 6, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Knoll	Penny	Staples
Bang	Gearty	Knutson	Peterson	Stokowski
Benedict	Gunderson	Laufenburger	Purfeerst	Strand
Bernhagen	Hanson	Lessard	Renneke	Stumpf
Borden	Humphrey	Lewis	Schaaf	Tennessee
Brataas	Johnson	Luther	Schmitz	Ueland, A.
Chenoweth	Keefe, J.	Merriam	Schrom	Ulland, J.
Chmielewski	Keefe, S.	Moe	Setzepfandt	Vega
Coleman	Kirchner	Nelson	Sieloff	Wegener
Davies	Kleinbaum	Ogdahl	Sikorski	Willet
Engler	Knaak	Olson	Solon	

Those who voted in the negative were:

Dieterich	Nichols	Olhoft	Pillsbury	Spear
Jensen				

So the bill passed and its title was agreed to.

S. F. No. 1923: A bill for an act relating to Koochiching, Itasca, Aitkin, Carlton, St. Louis, Lake and Cook counties; regulating the St. Louis county courthouse building commission; granting powers to the Arrowhead regional development commission; requiring payment of a service fee for property of the commission; amending Laws 1971, Chapter 171, Section 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Knoll	Olson	Solon
Bang	Gearty	Knutson	Penny	Spear
Benedict	Gunderson	Laufenburger	Peterson	Staples
Bernhagen	Hanson	Lessard	Pillsbury	Stokowski
Borden	Humphrey	Luther	Purfeerst	Strand
Brataas	Jensen	McCutcheon	Renneke	Stumpf
Chenoweth	Johnson	Merriam	Schaaf	Tennessee
Chmielewski	Keefe, J.	Moe	Schmitz	Ueland, A.
Coleman	Keefe, S.	Nelson	Schrom	Ulland, J.
Davies	Kirchner	Nichols	Setzepfandt	Vega
Dieterich	Kleinbaum	Ogdahl	Sieloff	Wegener
Engler	Knaak	Olhoff	Sikorski	Willet

So the bill passed and its title was agreed to.

S. F. No. 1757: A bill for an act relating to health; ambulance service; providing for licensing of a specialized ambulance service; amending Minnesota Statutes, 1977 Supplement, Sections 144.801, Subdivisions 4, 6, 7, and 9, and by adding a subdivision; 144.802, Subdivision 1; and 144.804, Subdivisions 2 and 3.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Laufenburger	Penny	Spear
Bang	Hanson	Lessard	Peterson	Staples
Benedict	Humphrey	Luther	Pillsbury	Stokowski
Bernhagen	Jensen	McCutcheon	Purfeerst	Strand
Borden	Johnson	Menning	Renneke	Stumpf
Chmielewski	Keefe, J.	Merriam	Schaaf	Tennessee
Coleman	Keefe, S.	Moe	Schmitz	Ueland, A.
Davies	Kirchner	Nelson	Schrom	Ulland, J.
Dieterich	Kleinbaum	Nichols	Setzepfandt	Vega
Engler	Knaak	Ogdahl	Sieloff	Wegener
Frederick	Knoll	Olhoff	Sikorski	Willet
Gearty	Knutson	Olson	Solon	

So the bill passed and its title was agreed to.

THIRD READING OF HOUSE BILLS

H. F. No. 2298: A bill for an act relating to highway traffic regulation; change of course; clarifying requirement to signal a turn; amending Minnesota Statutes 1976, Section 169.19, Subdivision 4.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 2, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Lessard	Peterson	Stokowski
Bang	Gunderson	Luther	Pillsbury	Strand
Benedict	Hanson	McCutcheon	Purfeerst	Stumpf
Bernhagen	Humphrey	Menning	Renneke	Tennessee
Borden	Jensen	Merriam	Schaaf	Ueland, A.
Brataas	Johnson	Moe	Schmitz	Ulland, J.
Chenoweth	Keefe, J.	Nelson	Schrom	Vega
Chmielewski	Keefe, S.	Nichols	Setzpfandt	Wegener
Davies	Kirchner	Ogdahl	Sikorski	Willet
Dieterich	Kleinbaum	Olhoft	Solon	
Engler	Knoll	Olson	Spear	
Frederick	Laufenburger	Penny	Staples	

Messrs. Knutson and Sieloff voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 1297: A bill for an act relating to wild animals; prohibiting the sale of deer licenses during the firearms season; reducing the resident license fee to buy or sell raw furs, prescribing a nonresident license fee for the taking of raccoon; requiring tagging of deer or moose taken; requiring tagging of raccoon taken by nonresidents; amending Minnesota Statutes 1976, Sections 98.45, Subdivisions 1 and 3; 98.46, Subdivisions 4, 16, and 22, and by adding a subdivision; 101.42, Subdivision 18; and Minnesota Statutes, 1977 Supplement, Sections 98.46, Subdivision 14; and 98.52, 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 61 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Lessard	Peterson	Stokowski
Bang	Hanson	Lewis	Pillsbury	Strand
Benedict	Humphrey	Luther	Purfeerst	Stumpf
Bernhagen	Jensen	McCutcheon	Renneke	Tennessee
Borden	Johnson	Menning	Schaaf	Ueland, A.
Brataas	Keefe, J.	Merriam	Schmitz	Ulland, J.
Chenoweth	Keefe, S.	Moe	Schrom	Vega
Chmielewski	Kirchner	Nelson	Setzpfandt	Wegener
Davies	Kleinbaum	Nichols	Sieloff	Willet
Dieterich	Knaak	Ogdahl	Sikorski	
Engler	Knoll	Olhoft	Solon	
Frederick	Knutson	Olson	Spear	
Gearty	Laufenburger	Penny	Staples	

So the bill passed and its title was agreed to.

H. F. No. 1520: A bill for an act relating to financial institutions; changing powers of savings and loan associations; amending Minnesota Statutes 1976, Section 51A.21, Subdivision 16.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Bang	Gunderson	Lewis	Penny	Spear
Benedict	Hanson	Luther	Peterson	Staples
Bernhagen	Humphrey	McCutcheon	Pillsbury	Stokowski
Borden	Johnson	Menning	Purfeerst	Strand
Brataas	Keefe, J.	Merriam	Schaaf	Stumpf
Chenoweth	Keefe, S.	Moe	Schmitz	Tennessee
Chmielewski	Kleinbaum	Nelson	Schrom	Ueland, A.
Davies	Knaak	Nichols	Setzepfandt	Ulland, J.
Dieterich	Knoll	Ogdahl	Sieloff	Vega
Engler	Knutson	Olhoff	Sikorski	Wegener
Gearty	Laufenburger	Olson	Solon	Willet

So the bill passed and its title was agreed to.

H. F. No. 2014: A bill for an act relating to state parks; authorizing the lease of a portion of Fort Snelling state park; waiving park admission fees and authorizing a liquor license on the leased property.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 58 and nays 3, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Laufenburger	Penny	Spear
Bang	Gunderson	Lewis	Peterson	Staples
Benedict	Hanson	Luther	Pillsbury	Stokowski
Bernhagen	Humphrey	McCutcheon	Purfeerst	Strand
Borden	Jensen	Menning	Renneke	Stumpf
Brataas	Johnson	Merriam	Schaaf	Ueland, A.
Chenoweth	Keefe, J.	Moe	Schmitz	Ulland, J.
Chmielewski	Kirchner	Nelson	Schrom	Vega
Coleman	Kleinbaum	Nichols	Setzepfandt	Wegener
Dieterich	Knaak	Ogdahl	Sieloff	Willet
Engler	Knoll	Olhoff	Sikorski	
Frederick	Knutson	Olson	Solon	

Messrs. Davies; Keefe, S.; and Tennessee voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 2048: A bill for an act relating to municipalities; changing the purpose and name of the range association of municipalities and schools; amending Minnesota Statutes 1976, Section 471.58.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Lessard	Penny	Staples
Bang	Gunderson	Lewis	Peterson	Stokowski
Bernhagen	Hanson	Luther	Pillsbury	Strand
Borden	Humphrey	McCutcheon	Purfeerst	Stumpf
Brataas	Johnson	Menning	Renneke	Tennessee
Chenoweth	Keefe, J.	Merriam	Schaaf	Ueland, A.
Chmielewski	Keefe, S.	Moe	Schmitz	Ulland, J.
Coleman	Kirchner	Nelson	Setzepfandt	Vega
Davies	Kleinbaum	Nichols	Sieloff	Wegener
Dieterich	Knaak	Ogdahl	Sikorski	Willet
Engler	Knutson	Olhoff	Solon	
Frederick	Laufenburger	Olson	Spear	

So the bill passed and its title was agreed to.

H. F. No. 1864: A bill for an act relating to retirement; providing for biennial local police and paid fire fund actuarial valuations; amending Minnesota Statutes 1976, Sections 69.77, Subdivisions 1, 2 and by adding a subdivision; 69.773, Subdivision 2; 69.78; 356.20, Subdivisions 1, 2 and 4; 356.215, Subdivisions 2 and 4; Chapter 356, by adding a section; Laws 1955, Chapter 75, Section 9, as added and Section 12, as amended; Laws 1959, Chapter 131, Section 10, Subdivision 1, as amended; Laws 1965, Chapter 446, Section 7, Subdivision 1; Laws 1965; Chapter 458, Section 3, Subdivision 2; Laws 1965, Chapter 498, Section 1, Subdivision 1; Laws 1967, Chapter 736, Section 11, Subdivision 1; Laws 1967, Chapter 775, Section 8; Laws 1967, Chapter 798, Section 1, Subdivisions 1 and 2; Laws 1969, Chapter 576, Section 1; Laws 1969, Chapter 641, Section 2, Subdivision 1; Laws 1971, Chapter 51, Section 9, and Section 10, Subdivisions 1 and 2; Laws 1971, Chapter 810, Section 7; Laws 1973, Chapter 587, Section 1; Laws 1975, Chapter 424, Sections 10 and 11; repealing Minnesota Statutes 1976, Sections 69.71; 69.72; 69.73; 69.74; 69.75; 69.76; 490.131; and Laws 1963, Chapter 643, Section 27.

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:

Ashbach	Gearty	Lessard	Peterson	Stokowski
Bang	Gunderson	Lewis	Pillsbury	Strand
Benedict	Hanson	Luther	Purfeerst	Stumpf
Bernhagen	Humphrey	McCutcheon	Renneke	Tennessee
Borden	Jensen	Menning	Schaaf	Ueland, A.
Brataas	Johnson	Merriam	Schmitz	Ulland, J.
Chenoweth	Keefe, J.	Moe	Schrom	Vega
Chmielewski	Keefe, S.	Nelson	Setzepfandt	Wegener
Coleman	Kirchner	Nichols	Sieloff	Willet
Davies	Kleinbaum	Ogdahl	Sikorski	
Dieterich	Knaak	Olhoff	Solon	
Engler	Knutson	Olson	Spear	
Frederick	Laufenburger	Penny	Staples	

So the bill passed and its title was agreed to.

H. F. No. 1858: A bill for an act relating to retirement; clarifying various ambiguous retirement provisions; removing various obsolete gender references; amending Minnesota Statutes 1976, Sections 352B.05; 352B.06; 352B.14, Subdivisions 3 and 4; 352B.-26, Subdivisions 2 and 3; 352B.28; 352D.05, Subdivision 3; 423.37; 423.371, Subdivision 2; 423.377; 423.38; 423.381; 423.387; 423.48; 423.51; 423.52; 423.58; 423.802, Subdivision 2; 423.810, Subdivisions 1 and 2; 424.16; 424.17; 424.24; 424.29; 424.31; Chapter 422A, by adding a section; Minnesota Statutes, 1977 Supplement, Sections 69.772, Subdivision 2; 352B.08, Subdivision 2; 422A.09, Subdivision 3; and 422A.33, Subdivision 3; Laws 1969, Chapter 1088, Section 4, Subdivision 4; and Laws 1977, Chapter 61, Section 5; repealing Minnesota Statutes 1976, Sections 423.22 to 423.36; and 425.01 to 425.09.

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:

Ashbach	Gearty	Laufenburger	Penny	Staples
Bang	Gunderson	Lessard	Peterson	Stokowski
Benedict	Hanson	Lewis	Pillsbury	Strand
Bernhagen	Humphrey	Luther	Purfeerst	Stumpf
Borden	Jensen	McCutcheon	Renneke	Tennessen
Brataas	Johnson	Menning	Schaaf	Ueland, A.
Chenoweth	Keefe, J.	Merriam	Schmitz	Ulland, J.
Chmielewski	Keefe, S.	Moe	Schrom	Vega
Coleman	Kirchner	Nelson	Setzepfandt	Wegener
Davies	Kleinbaum	Nichols	Sieloff	Willet
Dieterich	Knaak	Ogdahl	Sikorski	
Engler	Knoll	Olhoft	Solon	
Frederick	Knutson	Olson	Spear	

So the bill passed and its title was agreed to.

H. F. No. 2020: A bill for an act relating to workers' compensation; changing the definition of family farms; amending Minnesota Statutes, 1977 Supplement, Section 176.011, Subdivision 11a.

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:

Ashbach	Davies	Johnson	Lewis	Olhoft
Bang	Dieterich	Keefe, J.	Luther	Olson
Benedict	Engler	Keefe, S.	McCutcheon	Penny
Bernhagen	Frederick	Kleinbaum	Menning	Peterson
Borden	Gearty	Knaak	Merriam	Pillsbury
Brataas	Gunderson	Knoll	Moe	Purfeerst
Chenoweth	Hanson	Knutson	Nelson	Renneke
Chmielewski	Humphrey	Laufenburger	Nichols	Schaaf
Coleman	Jensen	Lessard	Ogdahl	Schmitz

Schrom	Solon	Stokowski	Tennessee	Vega
Setzepfandt	Spear	Strand	Ueland, A.	Wegener
Sieloff	Staples	Stumpf	Ulland, J.	Willet
Sikorski				

So the bill passed and its title was agreed to.

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to take up the Consent Calendar. The motion prevailed.

CONSENT CALENDAR

H. F. No. 2005: A bill for an act relating to medical malpractice insurance; extending the temporary joint underwriting association for an additional two year period; amending Minnesota Statutes 1976, Section 62F.01; repealing Laws 1976, Chapter 242, Section 16.

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:

Ashbach	Gearty	Laufenburger	Penny	Staples
Bang	Gunderson	Lessard	Peterson	Stokowski
Benedict	Hanson	Lewis	Pillsbury	Strand
Bernhagen	Humphrey	Luther	Purfeerst	Stumpf
Borden	Jensen	McCutcheon	Renneke	Tennessee
Brataas	Johnson	Menning	Schaaf	Ueland, A.
Chenoweth	Keefe, J.	Merriam	Schmitz	Ulland, J.
Chmielewski	Keefe, S.	Moe	Schrom	Vega
Coleman	Kirchner	Nelson	Setzepfandt	Wegener
Davies	Kleinbaum	Nichols	Sieloff	Willet
Dieterich	Knaak	Ogdahl	Sikorski	
Engler	Knoll	Olhoft	Solon	
Frederick	Knutson	Olson	Spear	

So the bill passed and its title was agreed to.

H. F. No. 2068: A bill for an act relating to public television; eliminating restriction on location of television tower; amending Laws 1977, Chapter 320, Section 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Chmielewski	Gearty	Keefe, J.	Knutson
Bang	Coleman	Gunderson	Keefe, S.	Laufenburger
Benedict	Davies	Hanson	Kirchner	Lessard
Bernhagen	Dieterich	Humphrey	Kleinbaum	Lewis
Brataas	Engler	Jensen	Knaak	Luther
Chenoweth	Frederick	Johnson	Knoll	McCutcheon

Menning	Olson	Schaaf	Solon	Tennessee
Merriam	Penny	Schmitz	Spear	Ueland, A.
Moe	Peterson	Schrom	Staples	Ulland, J.
Nelson	Pillsbury	Setzepfandt	Stokowski	Vega
Ogdahl	Purfeerst	Sieloff	Strand	Wegener
Olhoft	Renneke	Sikorski	Stumpf	Willet

So the bill passed and its title was agreed to.

H. F. No. 2242: A bill for an act relating to Yellow Medicine county; authorizing the expenditure of money by the county board to restore county ditch number nine.

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:

Ashbach	Gearty	Laufenburger	Penny	Staples
Bang	Gunderson	Lessard	Peterson	Stokowski
Benedict	Hanson	Lewis	Pillsbury	Strand
Bernhagen	Humphrey	Luther	Purfeerst	Stumpf
Borden	Jensen	McCutcheon	Renneke	Tennessee
Brataas	Johnson	Menning	Schaaf	Ueland, A.
Chenoweth	Keefe, J.	Merriam	Schmitz	Ulland, J.
Chmielewski	Keefe, S.	Moe	Schrom	Vega
Coleman	Kirchner	Nelson	Setzepfandt	Wegener
Davies	Kleinbaum	Nichols	Sieloff	Willet
Dieterich	Knaak	Ogdahl	Sikorski	
Engler	Knoll	Olhoft	Solon	
Frederick	Knutson	Olson	Spear	

So the bill passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 2316 a Special Order to be heard immediately.

S. F. No. 2316: A bill for an act relating to public employees; political subdivisions; prohibiting denial or abridgement of the right to engage in political activities, except under certain circumstances.

Mr. Setzepfandt moved to amend S. F. No. 2316 as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 43.28, is amended to read:

43.28 [POLITICAL ACTIVITIES PROHIBITED.] *Subdivision 1.* [RIGHTS AND OBLIGATIONS OF PUBLIC EMPLOYEES.] No officer, agent, clerk, or employee of this state or any political subdivision thereof shall, directly or indirectly, during his hours of employment solicit or receive funds, or at any time use his authority or official influence to compel any officer or employee in the classified service to apply for membership in or become a

member of any organization, or to pay or promise to pay any assessment, subscription, or contribution, or to take part in any political activity. Any person who violates any provision of this section shall be guilty of a misdemeanor, and shall be punished accordingly, and if any officer or employee in the classified service is found guilty of violating any provision of this section, he is automatically separated from the service. *No political subdivision may impose or enforce any additional limitations on the political activities of its employee.*

Subd. 2. [LEAVES OF ABSENCE FOR STATE EMPLOYEES.] Except as herein provided any officer or employee in the state classified service shall:

(1) Take leave of absence upon assuming an elected federal or state public office, including elected state legislative office;

(2) Take leave of absence upon assuming any elected public office other than enumerated in clause (1), if, in the opinion of the commissioner of personnel, the holding of such office conflicts with his regular state employment;

(3) Upon his request, be granted leave of absence upon becoming a candidate, or during the course of such candidacy, for any elected public office;

(4) Take leave of absence upon becoming a candidate, or during the course of candidacy, for any elected public office if, in the opinion of the commissioner of personnel, such candidacy conflicts with his regular state employment.

All requests for opinions of the commissioner of personnel, and opinions from the commissioner under the provisions of clauses (2) and (4) shall be in written form and shall be delivered by registered mail.

The commissioner of personnel shall issue an opinion under the provisions of clauses (2) and (4) within seven calendar days of receipt of the request.

Sec. 2. This act is effective the day following final enactment."

Amend the title by striking it in its entirety and inserting

"A bill for an act relating to political subdivisions; prohibiting employees of political subdivisions from engaging in certain political activities; precluding subdivisions from enforcing additional limitations; amending Minnesota Statutes 1976, Section 43.28."

The motion prevailed. So the amendment was adopted.

S. F. No. 2316: A bill for an act relating to political subdivisions; prohibiting employees of political subdivisions from engaging in certain political activities; precluding subdivisions from enforcing additional limitations; amending Minnesota Statutes 1976, Section 43.28."

S. F. No. 2316 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 39 and nays 0, as follows:

Those who voted in the affirmative were:

Chenoweth	Keefe, J.	Menning	Renneke	Stokowski
Chmielewski	Keefe, S.	Merriam	Schaaf	Stumpf
Davies	Kirchner	Moe	Schmitz	Tennessee
Dieterich	Kleinbaum	Nelson	Schrom	Ulland, J.
Gearty	Laufenburger	Olhoff	Setzepfandt	Vega
Gunderson	Lessard	Olson	Sieloff	Wegener
Hanson	Lewis	Penny	Spear	Willet
Johnson	Luther	Peterson	Staples	

So the bill, as amended, passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 1918 a Special Order to be heard immediately.

H. F. No. 1918: A bill for an act relating to taxation; clarifying the exclusion from gross income allowed for public pensions; amending Minnesota Statutes, 1977 Supplement, Section 290.08, Subdivision 6.

Mr. Sieloff moved to amend H. F. No. 1918, as amended pursuant to Rule 49, adopted by the Senate March 6, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1581.)

Page 1, line 22, after "*retirement*" insert "*or survivor's*"

Page 2, line 4, after "*security*" insert "*retirement*"

The motion prevailed. So the amendment was adopted.

Mr. Sieloff then moved to amend H. F. No. 1918, as amended pursuant to Rule 49, adopted by the Senate March 6, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1581.)

Page 1, line 13, after "*United States*" insert "*, its agents or instrumentalities*"

The motion prevailed. So the amendment was adopted.

CALL OF THE SENATE

Mr. Ashbach imposed a call of the Senate for the balance of the proceedings on H. F. No. 1918. The following Senators answered to their names:

Ashbach	Borden	Coleman	Gearty	Johnson
Bang	Brataas	Davies	Gunderson	Keefe, S.
Benedict	Chenoweth	Dieterich	Hanson	Kirchner
Bernhagen	Chmielewski	Engler	Humphrey	Kleinbaum

Knaak	Merriam	Peterson	Spear	Ulland, J.
Knutson	Nelson	Renneke	Staples	Vega
Lewis	Ogdahl	Schaaf	Stokowski	Willet
Luther	Olhoff	Schmitz	Stumpf	
McCutcheon	Olson	Sieloff	Tennessee	
Menning	Penny	Solon	Ueland, A.	

The Sergeant at Arms was instructed to bring in the absent members.

Mr. Bernhagen moved to amend H. F. No. 1918, as amended pursuant to Rule 49, adopted by the Senate March 6, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1581.)

Page 2, strike line 4

Page 2, line 7, strike "received during the taxable year"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 19 and nays 40, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Knaak	Ogdahl	Sieloff
Bang	Frederick	Knoll	Pillsbury	Ueland, A.
Bernhagen	Keefe, J.	Knutson	Purfeerst	Ulland, J.
Brataas	Kirchner	Laufenburger	Renneke	

Those who voted in the negative were:

Benedict	Hanson	Luther	Penny	Staples
Borden	Humphrey	McCutcheon	Peterson	Stokowski
Chenoweth	Jensen	Menning	Schaaf	Strand
Coleman	Johnson	Merriam	Schmitz	Stumpf
Davies	Keefe, S.	Nelson	Schrom	Tennessee
Dieterich	Kleinbaum	Nichols	Setzepfandt	Vega
Gearty	Lessard	Olhoff	Solon	Wegener
Gunderson	Lewis	Olson	Spear	Willet

The motion did not prevail. So the amendment was not adopted.

Mr. Sieloff moved to amend H. F. No. 1918, as amended pursuant to Rule 49, adopted by the Senate March 6, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1581.)

Page 2, line 1, after "401," insert "403,"

The motion did not prevail. So the amendment was not adopted.

Mr. Frederick moved to amend H. F. No. 1918, as amended pursuant to Rule 49, adopted by the Senate March 6, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1581.)

Page 1, line 10, strike "OR PRIVATE"

Page 1, line 13, strike "(i)"

Page 1, line 22, strike ", or (ii) as a retirement benefit made from a"

Page 2, strike lines 1 to 3

Page 2, line 4, strike "less social security and railroad retirement benefits"

Page 2, line 7, strike "received during the taxable year"

Page 2, after line 7, insert

"Sec. 2. Minnesota Statutes 1976, Section 290.08, is amended by adding a subdivision to read:

Subd. 6a. [PRIVATE PENSIONS OR RETIREMENT BENEFITS.] Amounts, including interest, received by any person as a retirement benefit made from a plan qualifying under sections 401, 404, 405, 408 or 409 of the Internal Revenue Code of 1954, as amended through December 31, 1977. This exclusion shall not exceed \$7,200 less social security and railroad retirement benefits received during the taxable year."

Renumber the remaining section in sequence

Further, amend the title as follows:

Line 3, after the semicolon insert "providing a limited exclusion for private pensions;"

Line 4, after "Statutes" insert "1976, Section 290.08, by adding a subdivision; and Minnesota Statutes"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 20 and nays 37, as follows:

Those who voted in the affirmative were:

Ashbach	Brataas	Keefe, J.	Ogdahl	Sieloff
Bang	Chmielewski	Kirchner	Pillsbury	Solon
Benedict	Engler	Knaak	Renneke	Ueland, A.
Bernhagen	Frederick	Knutson	Schrom	Ulland, J.

Those who voted in the negative:

Borden	Humphrey	McCutcheon	Penny	Stumpf
Chenoweth	Jensen	Manning	Peterson	Tennessee
Coleman	Johnson	Merriam	Schaaf	Vega
Davies	Keefe, S.	Moe	Schmitz	Wegener
Dieterich	Laufenburger	Nelson	Spear	Willet
Gearty	Lessard	Nichols	Staples	
Gunderson	Lewis	Olhoft	Stokowski	
Hanson	Luther	Olson	Strand	

The motion did not prevail. So the amendment was not adopted.

Mr. Sieloff moved to amend H. F. No. 1918, as amended pursuant to Rule 49, adopted by the Senate March 6, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1581.)

Page 2, line 3, strike "\$7,200" and insert "\$10,000"

The question was taken on the adoption of the amendment.

Mr. McCutcheon moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 21 and nays 38, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Knoll	Pillsbury	Ulland, J.
Bang	Frederick	Knutson	Renneke	
Bernhagen	Keefe, J.	Laufenburger	Schrom	
Brataas	Kirchner	Lessard	Sieloff	
Chmielewski	Knaak	Ogdahl	Ueland, A.	

Those who voted in the negative were:

Benedict	Hanson	McCutcheon	Peterson	Strand
Borden	Humphrey	Menning	Schaaf	Stumpf
Chenoweth	Jensen	Merriam	Schmitz	Tennessee
Coleman	Johnson	Moe	Setzepfandt	Vega
Davies	Keefe, S.	Nelson	Solon	Wegener
Dieterich	Kleinbaum	Olhoft	Spear	Willet
Gearty	Lewis	Olson	Staples	
Gunderson	Luther	Penny	Stokowski	

The motion did not prevail. So the amendment was not adopted.

Mr. Sieloff then moved to amend H. F. No. 1918, as amended pursuant to Rule 49, adopted by the Senate March 6, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1581.)

Page 2, line 7, after the period, insert "*Notwithstanding the preceding sentence, the exclusion allowed pursuant to this subdivision shall not be reduced below \$3,000.*"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 18 and nays 38, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Knaak	Pillsbury	Ueland, A.
Bang	Frederick	Knoll	Purfeerst	Ulland, J.
Bernhagen	Keefe, J.	Knutson	Renneke	
Brataas	Kirchner	Ogdahl	Sieloff	

Those who voted in the negative were:

Benedict	Humphrey	Luther	Penny	Strand
Chenoweth	Jensen	McCutcheon	Peterson	Stumpf
Coleman	Johnson	Menning	Schmitz	Tennessee
Davies	Keefe, S.	Merriam	Schrom	Vega
Dieterich	Kleinbaum	Moe	Setzepfandt	Wegener
Gearty	Laufenburger	Nelson	Spear	Willet
Gunderson	Lessard	Olhoft	Staples	
Hanson	Lewis	Olson	Stokowski	

The motion did not prevail. So the amendment was not adopted.

Mr. Chenoweth moved to amend H. F. No. 1918, as amended pursuant to Rule 49, adopted by the Senate March 6, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1581.)

Page 2, line 7, after "year" insert "; provided that, for each taxable year beginning after December 31, 1978, the \$7,200 maximum shall be increased by the percentage of increase in the maximum social security retirement benefit allowed for such succeeding years"

Mr. Sieloff moved a substitute amendment to the Chenoweth amendment to amend H. F. No. 1918, as amended pursuant to Rule 49, adopted by the Senate March 6, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1581.)

Page 2, line 7, after "year" insert "; provided that, for each taxable year beginning after December 31, 1978, the \$7,200 maximum shall be increased by the percentage of increase in the year end consumer price index for the Minneapolis-St. Paul metropolitan area prepared by the United States department of labor with respect to the calendar year preceding the taxable year. In no event shall the maximum be increased to exceed \$13,000"

The question was taken on the adoption of the amendment.

Mr. McCutcheon moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 27 and nays 32, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Knutson	Purfeerst	Ueland, A.
Bang	Frederick	Lessard	Renneke	Ulland, J.
Benedict	Keefe, J.	Menning	Schrom	Willet
Bernhagen	Kirchner	Merriam	Sieloff	
Brataas	Knaak	Penny	Strand	
Dieterich	Knoll	Pillsbury	Tennessee	

Those who voted in the negative were:

Borden	Humphrey	Luther	Peterson	Stokowski
Chenoweth	Jensen	McCutcheon	Schaaf	Stumpf
Chmielewski	Johnson	Moe	Schmitz	Vega
Coleman	Keefe, S.	Nelson	Setzepfandt	Wegener
Davies	Kleinbaum	Nichols	Solon	
Gearty	Laufenburger	Olhoft	Spear	
Hanson	Lewis	Olson	Staples	

The motion did not prevail. So the amendment was not adopted.

The question recurred on the Chenoweth amendment. Mr. Chenoweth withdrew his amendment.

H. F. No. 1918 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Bang	Gearty	Knutson	Olson	Spear
Benedict	Gunderson	Laufenburger	Penny	Stokowski
Bernhagen	Hanson	Lessard	Peterson	Strand
Borden	Humphrey	Lewis	Pillsbury	Stumpf
Brataas	Jensen	Luther	Purfeerst	Tennessee
Chenoweth	Johnson	McCutcheon	Renneke	Ueland, A.
Chmielewski	Keefe, J.	Menning	Schaaf	Ulland, J.
Coleman	Keefe, S.	Merriam	Schmitz	Vega
Davies	Kirchner	Moe	Schrom	Wegener
Dieterich	Kleinbaum	Nelson	Setzepfandt	Willet
Engler	Knaak	Nichols	Sieloff	
Frederick	Knoll	Olhoff	Solon	

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Davies moved that H. F. No. 1317 be withdrawn from the Committee on Judiciary and re-referred to the Committee on Rules and Administration for comparison with S. F. No. 1013. The motion prevailed.

RECESS

Mr. Coleman moved that the Senate do now recess until 7:30 o'clock p.m. The motion prevailed.

The hour of 7:30 o'clock p.m. having arrived, the President called the Senate to order.

MEMBERS EXCUSED

Messrs. Bang and Knutson were excused from this evening's Session. Mr. Schmitz was excused from the early part of this evening's Session. Mr. Schrom was excused from this evening's Session at 10:30 o'clock p.m.

CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate. The following Senators answered to their names:

Benedict	Gunderson	Lessard	Penny	Staples
Bernhagen	Hanson	Lewis	Perpich	Strand
Brataas	Humphrey	McCutcheon	Peterson	Stumpf
Chenoweth	Johnson	Menning	Pillsbury	Tennessee
Chmielewski	Keefe, S.	Moe	Purfeerst	Ulland, J.
Coleman	Kirchner	Nelson	Renneke	Vega
Davies	Kleinbaum	Nichols	Schrom	Wegener
Engler	Knaak	Ogdahl	Setzepfandt	Willet
Frederick	Knoll	Olhoff	Sieloff	
Gearty	Laufenburger	Olson	Spear	

The Sergeant at Arms was instructed to bring in the absent members.

Without objection, the Senate reverted to the Order of Business of Introduction and First Reading of Senate Bills, Messages From the House, Reports of Committees, Second Reading of Senate Bills and Second Reading of House Bills.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bill was read the first time and referred to the committee indicated.

Messrs. Humphrey, Luther, Schrom and Strand introduced—

S. F. No. 2406: A bill for an act relating to high voltage transmission lines; notice of hearings on proposed lines; representation of landowners at hearings by attorney general; scientific advisory committees; amending Minnesota Statutes, 1977 Supplement, Sections 116C.58 and 116C.59, Subdivisions 3 and 4.

Referred to the Committee on Agriculture and Natural Resources.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S. F. Nos. 1602 and 1752.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned March 13, 1978

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of three members of the House, on the amendments adopted by the House to the following Senate File:

S. F. No. 1643: A bill for an act relating to agriculture; corn detasseling employees; providing minimum labor standards; amending Minnesota Statutes 1976, Chapter 181, by adding sections.

There has been appointed as such committee on the part of the House:

Sieben, M.; Enebo and Laidig.

Senate File No. 1643 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted:

H. F. No. 2098.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 13, 1978

FIRST READING OF HOUSE BILLS

The following bill was read the first time.

H. F. No. 2098: A bill for an act relating to family planning services; providing for special grants to provide family planning services; requiring informed consent; providing a penalty; appropriating funds; amending Minnesota Statutes 1976, Section 145.922, by adding subdivisions.

Mrs. Staples moved that H. F. No. 2098 be laid on the table. The motion prevailed.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk with the exception of the report on H. F. No. 1863 be now adopted. The motion prevailed.

Mr. Tennesen from the Committee on Commerce, to which was referred

S. F. No. 939: A bill for an act relating to public utilities; providing for representation of consumer interests in public utility matters; permitting qualifying private, nonprofit corporations to participate in regulatory agency hearings and to solicit contributions from utility customers; requiring public service commission certification of qualifying corporations; requiring a report.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert the following:

“Section 1. Minnesota Statutes 1976, Section 45.16, Subdivision 1, is amended to read:

45.16 [CONSUMER SERVICES SECTION, RESPONSIBILITIES AND DUTIES.] Subdivision 1. The section of consumer services shall have the responsibilities and duties prescribed by this section and section 2 of this act and such other authority as may be conferred by the commissioner of commerce.

Sec. 2. Minnesota Statutes 1976, Chapter 45, is amended by adding a section to read:

[45.17] Subdivision 1. [DEFINITIONS.] For the purposes of this section, the terms defined in this subdivision shall apply:

(1) “Public utility” means a publicly or privately owned entity engaged in supplying utility services to residential utility consumers

in this state or to another public utility for ultimate distribution to residential utility consumers in this state and whose rates or charges are subject to approval by the public service commission or any agency of the federal government provided that no municipal or cooperative utility shall be considered a "public utility" for the purposes of this clause.

(2) *"Consumer services section" means the consumer services section of the department of commerce.*

(3) *"Residential utility consumer" or "consumer" means a person who uses utility services at his residence in this state and who is billed by or pays a public utility for these services.*

(4) *"Utility services" means electricity, natural gas, or telephone services distributed to residential utility consumers by a public utility.*

Subd. 2. The consumer services section shall be responsible for representing and furthering the interest of residential utility consumers through participation in matters before the public service commission involving utility rates and adequacy of utility services to residential utility consumers.

Subd. 3. Subject to the limitations of subdivision 2, the consumer services section may intervene as of right or participate as an interested party in matters pending before the public service commission which affect the distribution by a public utility of utility services to residential utility consumers. The right of the consumer services section to participate or intervene shall in no way affect the obligation of the public service commission to protect the public interest.

Subd. 4. The public service commission shall give reasonable notice to the consumer services section of any matter scheduled to come before the commission affecting a public utility's rates or adequacy of services to residential utility consumers. Rules of the commission governing procedures before the commission shall apply to the consumer services section and its employees or representatives. The consumer services section shall have the same rights and privileges accorded other intervenors or participants in matters pending before the commission.

Subd. 5. The consumer services section shall be deemed to have an interest sufficient to maintain, intervene as of right in, or otherwise participate in any civil action in the trial courts or supreme court of this state for the review or enforcement of any public service commission action which affects a public utility's rates or adequacy of service to residential utility consumers.

Subd. 6. The expenses of performing the responsibilities authorized by this act shall be defrayed as follows:

Immediately after the final enactment of this section, the public service commission shall assess to all public utilities subject to the provisions of this act, in proportion to their respective gross operating revenues derived from residential utility consumers during the

preceding calendar year, the sum of \$300,000. Thereafter, commencing with the year 1979, the public service commission shall make the assessment provided above on July 1 of each year. Any monies not expended during the year of assessment shall be applied to the assessment for the following year. The assessment shall be paid into the state treasury within 30 days after the bill has been mailed, by registered mail, to the several public utilities, which shall constitute notice of the assessment and demand for payment thereof. The assessment shall be credited to a special account within the agency fund in behalf of the consumer services section. Public utilities shall recover the costs of their assessments through rates charged to residential utility consumers.

Subd. 7. [BOARD OF RESIDENTIAL UTILITY CONSUMERS.] There is hereby created the board of residential utility consumers whose duties shall include:

(1) Establishing policy guidelines concerning the utility related activities of the commerce department's consumer services section;

(2) Reviewing and approving the section's staff employment decisions related to performing the responsibilities conferred in section 2 of this act; and

(3) Annually reviewing and approving of the consumer services section's budget of estimated expenses for utility related activities.

The board shall consist of five voting members to be appointed by the governor. In making appointments, the governor shall give consideration to individuals having a special interest in the provision of utility services to residential consumers.

The board members shall elect from among their number a chairman and any other officers as it may deem necessary. The board shall meet at the call of the chairman or the director. The terms of office, compensation, and provisions for removal and filling vacancies of members shall be as provided in section 15.0575.

The director of the consumer services section shall submit an annual budget of estimated expenses to the board for review and approval. The director shall also periodically seek the advice of the board concerning its operations related to the responsibilities conferred by this section. The director shall also file an annual report of the section's utility related activities with the board on or before December 31 of each year.

Sec. 3. [EFFECTIVE DATE.] This act shall be effective upon final enactment."

Amend the title as follows:

Page 1, line 4, after "matters" insert "by the consumer services section"

Page 1, line 4, strike "permitting qualifying private,"

Page 1, strike lines 5 to 9 and insert "assessing utility companies for the expenses of the representation; amending Minnesota Stat-

utes 1976, Section 45.16, Subdivision 1; and Chapter 45, by adding a section."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. McCutcheon from the Committee on Taxes and Tax Laws, to which was referred

S. F. No. 2099: A bill for an act relating to taxation; property tax; increasing property tax refunds for certain renters; amending Minnesota Statutes, 1977 Supplement, Section 290A.04, Subdivision 2a.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was re-referred

S. F. No. 2237: A bill for an act proposing an amendment to the Minnesota Constitution, Article X, Section 7; permitting pari-mutuel betting on horse races if authorized by law.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 12, strike "*on-track*"

Page 1, line 12, after "*parimutuel*" insert "*betting on*"

Page 1, line 17, strike "*on-track*"

And when so amended the bill do pass and be re-referred to the Committee on Rules and Administration. Pursuant to Joint Rule 2.03, the bill was referred to the committee on Rules and Administration.

Mr. McCutcheon from the Committee on Taxes and Tax Laws, to which was referred

S. F. No. 2217: A bill for an act relating to taxation; providing for apportionment in valuing certain class 3c and 3cc property; clarifying tax status of certain leased United States property; applying sales tax to certain tooling charges; clarifying status of certain taconite taxes; amending Minnesota Statutes 1976, Sections 273.19, Subdivision 1; and 297A.14; and Minnesota Statutes, 1977 Supplement, Section 273.13, Subdivision 7.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 4 and 5, strike section 3

Page 5, line 15, strike "*Section 3 is*"

Page 5, strike line 16

Page 5, line 17, strike "*4*" and insert "*3*"

Renumber the remaining sections in sequence

Amend the title as follows:

Page 1, line 5, strike "applying sales tax to certain"

Page 1, line 6, strike "tooling charges;"

Page 1, line 8, strike "Sections" and insert "Section"

Page 1, line 8, strike "and 297A.14;"

And when so amended the bill do pass. Amendments adopted.
Report adopted.

Mr. McCutcheon from the Committee on Taxes and Tax Laws, to which was referred

H. F. No. 551: A bill for an act relating to taxation; providing for transfer of jointly held property to heirs of decedent joint tenant; clarifying marital exemption provisions; providing for deduction for certain taxes on estates of nonresidents; clarifying time for filing and extension; providing for abatement of penalties in cases of reasonable cause for delay; correcting references to probate code provisions; requiring filing of affidavits and copies of documents; amending Minnesota Statutes 1976, Sections 291.01, Subdivision 4; 291.051, Subdivision 1; 291.08; 291.09, by adding a subdivision; 291.11, Subdivision 1; 291.131, Subdivision 2; 291.20, Subdivision 3; 291.40; 524.3-1003; 524.3-1201; and 524.3-1202.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 1, strike "tax exceeds" and insert "value of joint tenancy assets does not exceed \$30,000."

Page 3, strike lines 2 and 3

Pages 8 and 9, strike Section 9

Renumber the sections accordingly

Amend the title as follows:

Page 1, strike line 10

Page 1, line 11, strike "documents;"

Page 1, line 16, strike "524.3-1003;"

And when so amended the bill do pass. Amendments adopted.
Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

H. F. No. 1863: A bill for an act relating to the operation of state government; allowing the state to make advance payments or deposits for certain items; providing for centralized rental payments to be made from the general services revolving fund; extending the time in which to repay loans from the general fund to

revolving funds; allowing the commissioner of administration to publish agency descriptions in the state register biennially instead of annually; amending Minnesota Statutes 1976, Section 16.096; Minnesota Statutes, 1977 Supplement, Sections 15.0412, Subdivision 2; 16.80, Subdivision 1; and 16A.126.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

“Section 1. Minnesota Statutes, 1977 Supplement, Section 4.035, Subdivision 3, is amended to read:

Subd. 3. [EXPIRATION DATE.] Unless an earlier date is specified by statute or by executive order, an executive order shall expire 90 days after the date that the governor who issued the order vacates his office. *For the purposes of section 4.035, a governor shall not be deemed to vacate his office at the end of a regularly scheduled term if that governor is elected or reelected as governor for the next succeeding term.*

Sec. 2. Minnesota Statutes 1976, Section 7.09, Subdivision 1, is amended to read:

7.09 [GIFTS; ACCEPTANCE.] Subdivision 1. [PROCEDURE.] The state treasurer is hereby authorized to receive and accept, on behalf of the state, any gift, bequest, devise, or endowment which may be made by any person, by will, deed, gift, or otherwise, to or for the benefit of the state, or any of its departments or agencies, or to or in aid, or for the benefit, support, or maintenance of any educational, charitable, or other institution maintained in whole or in part by the state, or for the benefit of students, employees, or inmates thereof, or for any proper state purpose or function, and the money, property, or funds constituting such gift, bequest, devise, or endowment. No such gift, bequest, devise, or endowment shall be so accepted unless the governor, the commissioner of finance, and the state treasurer shall determine that it is for the interest of the state to accept the same, and shall approve of and direct such acceptance. When, in order to effect the purpose for which any such gift, bequest, devise, or endowment has been accepted, it is necessary to sell any property so received, the state treasurer, upon request of the authority in charge of the agency, department, or institution concerned, may sell the same at a price which shall be fixed by the state board of investment.

Sec. 3. Minnesota Statutes 1976, Section 10A.01, Subdivision 18, is amended to read:

Subd. 18. “Public official” means any:

- (a) Member of the legislature;
- (b) Person holding a constitutional office in the executive branch and his chief administrative deputy;
- (c) Member of a state board or commission which has rule making authority, as “rule” is defined in section 15.0411, subdivi-

sion 3 , including the state historical society and the state agricultural society ;

(d) Person employed by the legislature as secretary of the senate, legislative auditor, chief clerk of the house, revisor of statutes, or researcher or attorney in the office of legislative research;

(e) Person employed by the executive branch in any position specified in section 15A.081; and

(f) Member of the metropolitan council, metropolitan transit commission, metropolitan sewer board or metropolitan airports commission.

Sec. 4. Minnesota Statutes, 1977 Supplement, Section 11.117, Subdivision 4, is amended to read:

Subd. 4. [OFFICERS; MEETINGS.] The council shall annually elect a chairman from among the members appointed by the ~~governor board~~ , and may elect other officers as necessary. The board of investment shall provide the council with necessary meeting space and administrative services. The council shall meet at least monthly and upon the call of the chairman of the council or the board.

Sec. 5. Minnesota Statutes, 1977 Supplement, Section 11.117, Subdivision 6, is amended to read:

Subd. 6. [LIABILITY; INDEMNIFICATION.] A member of the council shall be indemnified and held harmless by the state for any reasonable costs or expenses incurred as a result of any actual or threatened litigation or administrative proceedings ; ~~other than an action brought by the state or any agency thereof~~ , arising out of the performance of the member's duties if ~~the~~ , *except for an action brought by the state or agency thereof arising from the failure of a council member to perform duties were performed in a the manner as prescribed by this section.*

Sec. 6. Minnesota Statutes, 1977 Supplement, Section 11.118, is amended to read:

11.118 [REPLACEMENT OF EXISTING AGENCIES.] The council created pursuant to section 11.117 supersedes and replaces any advisory agencies to the state board of investment in existence on May 21, 1977. The ~~governor state board of investment~~ is not prohibited from appointing members of a former investment advisory agency to the council created by section 11.117.

Sec. 7. Minnesota Statutes, 1977 Supplement, Section 11.145, is amended to read:

11.145 [ANNUAL REPORT.] No later than November 15 of each year, the board of investment will prepare and distribute to the legislature a report summarizing the activities of the board, the investment advisory council and the board's executive secretary during the preceding fiscal year. The report shall be prepared so as to give the legislature and the people of the state a clear, comprehensive summary of the *portfolio composition, the transactions affecting the state's investment portfolio portfolios* , the results of these transactions, and the actual rates of return to the

treasury and to each of the funds whose investments are administered by the board, *income received by the treasury and the various funds, and the recipients of business placed or commissions allocated among the various commercial banks, investment bankers, and brokerage organizations.*

Sec. 8. Minnesota Statutes, 1977 Supplement, Section 15.0411, Subdivision 2, is amended to read:

Subd. 2. "Agency" means any state officer, board, commission, bureau, division, department, or tribunal, other than a court, having a statewide jurisdiction and authorized by law to make rules or to adjudicate contested cases. "Agency" also means the capitol area architectural and planning board. Sections 15.0411 to 15.052 do not apply to (a) agencies directly in the legislative or judicial branches, (b) emergency powers in Laws 1951, Chapter 694, Title III, Sections 301 to 307, ~~(e) corrections board and pardon board,~~ (d) ~~the unemployment insurance program in the department of economic security,~~ ~~(e) the director of mediation services,~~ (f) ~~the workers compensation division in the department of labor and industry,~~ (g) ~~the workers compensation court of appeals,~~ (h) ~~board of pardons,~~ or (i) (c) the department of military affairs. Sections 15.0418 to 15.0426 do not apply to (a) the Minnesota municipal board, (b) ~~corrections board,~~ (c) ~~the unemployment insurance program in the department of economic security,~~ (d) ~~the director of mediation services,~~ (e) ~~the workers compensation division in the department of labor and industry,~~ (f) ~~the workers compensation court of appeals,~~ (g) ~~the board of pardons,~~ or (h) ~~the public employees relations board.~~

Sec. 9. Minnesota Statutes, 1977 Supplement, Section 15.0412, Subdivision 2, is amended to read:

Subd. 2. To assist interested persons dealing with it, each agency shall, in a manner prescribed by the commissioner of administration, prepare a description of its organization, stating the process whereby the public may obtain information or make submissions or requests. The commissioner of administration shall annually publish these descriptions at least in every even-numbered year commencing in 1980 in a guidebook of state agencies. *Notice of the publication of the guidebook shall be published in the state register.*

Sec. 10. Minnesota Statutes, 1977 Supplement, Section 15.0412, Subdivision 4, is amended to read:

Subd. 4. No rule shall be adopted by any agency unless the agency first holds a public hearing thereon, affording all affected interests an opportunity to participate, and gives notice of its intention to hold such a hearing at least 30 days prior to the date set for the hearing by United States mail, to representatives of associations or other interested groups or persons who have registered their names with the secretary of state for that purpose and in the state register. The notice in the state register shall include the full text of the rule proposed for adoption; provided that, with the approval of the chief hearing examiner, the agency may incorporate by reference provisions of federal law or rule or other materials from sources which the chief hearing

examiner determines are conveniently available for viewing, copying and acquisition by interested persons. The chief hearing examiner shall not approve incorporation by reference of materials which are less than 3000 words in length or which would require less than five pages of publication in the state register. The agency shall make available at least one free copy of the proposed rule to any person requesting it. *The free copy shall be an exact duplicate of the proposed rule and notice of hearing as published in the state register.* At the public hearing the agency shall make an affirmative presentation of facts establishing the need for and reasonableness of the rule proposed for adoption and fulfilling any relevant substantive or procedural requirements imposed on the agency by law or rule. After allowing written material to be submitted and recorded in the hearing record for five working days after the public hearing ends, or for a longer period not to exceed 20 days if ordered by the hearing examiner, the hearing examiner assigned to the hearing shall proceed to write a report as provided for in section 15.052, subdivision 3, which report shall be completed within 30 days after the close of the hearing record unless the chief hearing examiner, upon written request of the agency and the hearing examiner, orders an extension. In no case shall an extension be granted if the chief hearing examiner determines that an extension would prohibit a rule from being adopted or becoming effective until after a date for adoption or effectiveness as required by statute. The report shall be available to all affected persons upon request for at least five working days before the agency takes any final action on the rule. If the agency adopts the rule, it shall be submitted with the complete hearing record to the attorney general, who shall review the rule as to form and legality. If the agency, the chief hearing examiner or the attorney general requests, the hearing examiner shall cause a transcript to be prepared of the hearing. The agency shall give notice to all persons who requested to be informed that the hearing record has been submitted to the attorney general. The attorney general shall, within 20 days, either approve or disapprove the rule. If he approves the rule, he shall promptly file it in the office of the secretary of state. If he disapproves the rule, he shall state in writing his reasons therefor, and the rule shall not be filed in the office of the secretary, nor published. A rule shall become effective after it has been subjected to all requirements described in this subdivision and five working days after publication in the state register, as hereinafter provided, unless a later date is required by statutes or specified in the rule. If the rule as adopted does not differ from the proposed rule as published in the state register, publication may be made by publishing notice in the state register that the rule has been adopted as proposed and by publishing a citation to the prior publication. If the rule as adopted differs from the proposed rule, the adopted rule or subdivisions thereof which differ from the proposed rule shall be published together with a citation to the prior state register publication of the remainder of the proposed rule.

Sec. 11. Minnesota Statutes, 1977 Supplement, Section 15.0412, Subdivision 5, is amended to read:

Subd. 5. When an agency is directed or authorized by statute, federal law or court order to adopt, amend, suspend or repeal a rule in a manner that does not allow for compliance with subdivision 4, or if an agency is expressly required or authorized by statute to adopt temporary rules, the agency shall promulgate a ~~adopt~~ temporary rule rules in accordance with this subdivision. The proposed temporary rule shall be published in the state register and for at least 20 days thereafter the agency shall afford all interested persons an opportunity to submit data and views on the proposed temporary rule in writing. The proposed temporary rule may be modified if the modifications are supported by the data and views submitted to the agency. The agency shall submit to the attorney general the proposed temporary rule as published, with any proposed modifications. The attorney general shall review the proposed temporary rule as to form and legality and shall approve or disapprove the proposed temporary rule and any proposed modifications within five working days. The temporary rule shall take effect upon approval of the attorney general. Failure of the attorney general to approve or disapprove within five working days shall be deemed approval. As soon as practicable notice of the attorney general's decision shall be published in the state register and the adopted rule shall be published in the manner as provided for adopted rules in subdivision 4. Temporary rules adopted under this subdivision shall be effective for not longer than 90 days and may be reissued or continued in effect for an additional 90 days, but may not immediately be reissued thereafter without following the procedure of subdivision 4.

Sec. 12. Minnesota Statutes 1976, Section 15.0413, Subdivision 1, is amended to read:

15.0413 [EFFECT OF ADOPTION OF RULES; PUBLICATION; APPROPRIATION.] Subdivision 1. Every rule approved by the attorney general and filed in the office of the secretary of state as provided in section 15.0412 shall have the force and effect of law ~~20~~ *five working* days after its publication in the state register unless a later date is required by statute or specified in the rule. The secretary of state shall keep a permanent record of rules filed with that office open to public inspection.

Sec. 13. Minnesota Statutes 1976, Section 15.0413, Subdivision 2, is amended to read:

Subd. 2. Each rule hereafter amended, suspended, or repealed shall become amended, suspended, or repealed ~~20~~ *five working* days after the new or amended rule or notice of suspension or repeal is published in the state register unless a later date is required by statute or specified in the rule.

Sec. 14. Minnesota Statutes, 1977 Supplement, Section 15.06, Subdivision 2, is amended to read:

Subd. 2. [TERM OF OFFICE; SUCCESSOR.] The term of a commissioner shall end with the term of the office of governor. If the appointing authority is the governor, the term shall end on the date the governor who appointed the commissioner terminate at the end of each regular four year gubernatorial term or at such

earlier date as the governor, if he is the appointing authority, vacates his office. The appointing authority shall submit to the president of the senate the name of an appointee as permanent commissioner within 45 legislative days after the end of the term of a commissioner and within 45 legislative days after the occurrence of a vacancy. The appointee shall take office as permanent commissioner when the senate notifies the appointing authority that it has consented to the appointment. A commissioner shall serve at the pleasure of the appointing authority. Effective on and after July 1, 1987, a commissioner may only be removed for cause after notice and hearing.

Sec. 15. Minnesota Statutes 1976, Section 16.02, Subdivision 14, is amended to read:

Subd. 14. To rent out , with the approval of the governor, any state property, real or personal, not needed for public use, the rental of which is not otherwise provided for or prohibited by law. This shall not apply to state trust fund lands, or other state lands under the jurisdiction of the department of natural resources, or to lands forfeited for delinquent taxes or to lands acquired under section 298.22. No such property shall be rented out for a term exceeding two years at a time without the approval of the state executive council; and no such property shall ever be rented out for more than 25 years.

Sec. 16. Minnesota Statutes 1976, Section 16.026, Subdivision 2, is amended to read:

Subd. 2. [SUPERVISION OF PUBLICATIONS.] The commissioner of administration shall supervise and control the making and distribution of publications of all kinds issued by the State of Minnesota and the departments and agencies thereof when not otherwise prescribed by law. *Each report, brochure or other publication, not including the state register, shall contain on its back cover or end sheet a notation of the number of copies printed in that edition and the total estimated printing costs of that edition as of the date of completion of that printing run.*

Sec. 17. Minnesota Statutes 1976, Section 16.05, is amended to read:

16.05 [RULES.] The commissioner shall have power , with the approval of the governor, to make and adopt, amend and repeal rules and regulations , not inconsistent with law, respecting any matter within the scope of the powers and duties conferred by sections 16.01 to 16.23 ; which rules and regulations shall have the force and effect of law; provided, that every such rule or regulation affecting any person or agency, other than a member of the department of administration, shall be filed with the secretary of state, and shall not take effect until so filed .

Sec. 18. Minnesota Statutes 1976, Section 16.096, is amended to read:

16.096 [ADVANCE DEPOSITS AND PAYMENTS.] Notwithstanding any other law to the contrary, the commissioner of administration may allow advance deposits or payments by any

department with the Library of Congress and federal Supervisor of Documents for items to be purchased from those federal agencies for the following purposes:

(a) Purchasing items from the Library of Congress and federal Supervisor of Documents;

(b) Purchasing subscriptions to periodicals, newspapers or similar printed services when payment in arrears cannot be arranged.

Sec. 19. Minnesota Statutes, 1977 Supplement, Section 16.125, is amended to read:

16.125 [TRANSFER OF PERSONNEL, POWERS, DUTIES.] Subdivision 1. The commissioner of administration, in order to improve efficiency or avoid duplication, may transfer *personnel, powers, or duties, and personnel necessary to perform the powers or duties, of or any combination of them, from a department or agency to another department or agency that has been in existence for at least one year prior to the date of transfer*. A transfer must have received *receive* the prior approval of the governor. The commissioner of administration shall no later than January 15 of each *odd numbered* year submit to the legislature a bill making all statutory changes required by reorganization orders and *ratifying all other reorganization orders affecting state law issued by the commissioner during the preceding two calendar year years*. *If the bill is not enacted into law by the end of the regular legislative session in the even numbered year after the bill is required to be submitted, the reorganizations shall be deemed disapproved and shall be of no effect, and the commissioner shall not thereafter issue a reorganization order accomplishing the same result.*

Subd. 2. A transfer made pursuant to subdivision 1 shall be in the form of a reorganization order. A reorganization order shall be filed with the secretary of state, shall be uniform in format and shall be numbered consecutively. An order shall be effective upon filing with the secretary of state and shall remain in effect until amended or superseded. Copies of the filed order shall be delivered promptly by the commissioner to the secretary of the senate and the chief clerk of the house. *A reorganization order which transfers all or substantially all of the powers or duties or personnel of a department, the energy agency, the housing finance agency or the pollution control agency shall not be effective until ratified by concurrent resolution or enacted into law.*

Subd. 3. The commissioner of finance shall determine the *what* fractional part of the appropriation to the *transferor* department or agency from which the power or duty is transferred represented by *that is attributable to the transferred personnel, power, or duty*, and that part of the appropriation is hereby reappropriated to the transferee department or agency.

Sec. 20. Minnesota Statutes 1976, Section 16.24, is amended to read:

16.24 [POWERS OF COMMISSIONER OF ADMINISTRATION.] The commissioner shall have the power to supervise and

control the accounts and expenditures of the several officials, departments, and agencies of the state government and of the institutions under their control; the making of all contracts and the creation or incurrence of all financial or contractual obligations; the purchase, rental, or furnishing of all property, equipment, supplies, or materials, and all telegraph, telephone, or lighting service; the construction and erection of all buildings and structures by or for the state or any such department, agency, or institution; the sale, disposition, use, or storage of all property belonging to the state; and at any time to examine the accuracy and legality of all accounts, receipts, and expenditures of state moneys and the use or disposition of state property; and he shall have the power, ~~subject to the approval of the governor,~~ to provide for his offices and necessary furniture, fixtures, and supplies, and to appoint and employ such officers, agents, assistants, clerks, and other employees as he may deem necessary for the performance of his duties, and to fix their salaries and define their duties. The commissioner, ~~with the approval of the governor,~~ shall have authority to appoint an assistant or a deputy, ~~with full authority to perform any of the duties imposed upon him; provided, that the governor may, without cause, and to remove such assistant or the deputy,~~ and shall have the power to examine, investigate, or make a survey of the organization, administration, and management of the various departments and agencies of the state government and the institutions under their control, to the end that greater efficiency and economy may be secured, better organization, reorganization, or consolidation of departments or functions effected, and all duplication of function, effort, or activity, so far as possible, eliminated; and, for this purpose, to hold hearings and prescribe rules and regulations for the conduct thereof, issue subpoenas for and compel the attendance of witnesses and giving of testimony and the production of books, records, accounts, documents, and papers; and the commissioner may administer oaths to witnesses or take their affirmations. If any person shall fail or refuse to appear or testify regarding that upon which he may be lawfully interrogated, or to produce any books, records, accounts, documents, or papers material in the matter heard or to be heard by the commissioner, after having been lawfully required by order or subpoena, any judge of the district court in any county of the state, on application of the commissioner, shall compel obedience by attachment proceedings as for contempt, as in the case of disobedience of a similar order or subpoena issued by such court. The commissioner shall recommend to the legislature such changes in the laws of the state as he may deem necessary, if any, as a result of any such survey or investigation, or otherwise, in order to secure a better organization of the state government or greater efficiency or economy in administration.

Sec. 21. Minnesota Statutes 1976, Section 16.28, is amended to read:

16.28 [PURCHASES.] The commissioner of administration, ~~subject to the approval of the governor,~~ may make *adopt* rules, ~~regulations,~~ and orders regulating and governing the manner and

method of purchasing, delivering, and handling of, and the contracting for supplies, equipment, and other property for the various officials, departments, and agencies of the state government and institutions under their control. Such rules, regulations, and orders shall be uniform, so far as practicable, shall be of general or limited application, and shall include provisions for the following:

(1) The advertisement for and the receipt of bids for supplies and other property and the stimulation of competition with regard thereto;

(2) The purchase of supplies and other property without advertisement or the receipt of bids, where the amount involved will not exceed \$500, when in the judgment of the commissioner it is expedient;

(3) The purchase of supplies and other property without competition in cases of emergency requiring immediate action;

(4) The purchase of certain supplies, equipment, and other property by long or short term contracts, or by purchases of contracts made at certain seasons of the year, or by blanket contracts or orders covering the requirements of one or more departments, offices, and commissions;

(5) The time for submitting estimates for various supplies, equipment, and other property;

(6) ~~Regulation to secure~~ The securing of prompt delivery of commissary or other necessary supplies;

(7) Standardization of forms for estimates, orders, and contracts;

(8) Standardization of specifications for purchasing supplies, equipment, and other property;

(9) Standardization of quality, grades, and brands to eliminate unnecessary number of commodities or of grades or brands of the same commodity;

(10) The purchase of supplies and other property locally upon permission, specific or otherwise, of the commissioner;

(11) The use and disposal of the products of state institutions;

(12) The disposal of obsolete, excess, and unsuitable supplies, salvage, waste materials, and other property, and the transfer of same to other departments, offices, and commissions;

(13) The storage of surplus supplies, equipment, and other property not needed for immediate use;

(14) The testing of commodities or supplies or samples thereof;

(15) Hearings on complaints in respect to the quality, grade, or brand of commodities or supplies;

(16) The waiver of rules in special cases.

The commissioner shall have immediate supervision of all purchases and contracts made, and shall carry out and enforce such rules, regulations, and orders relative thereto as he may adopt.

Sec. 22. Minnesota Statutes, 1977 Supplement, Section 16.72, Subdivision 7, is amended to read:

Subd. 7. [SURCHARGE FOR VEHICLES OCCUPIED BY ONE PERSON.] The commissioner of administration shall impose a surcharge of 25 percent for vehicles occupied by only one person parking in a state parking facility in the capitol area, as described by section 15.50, subdivision 2. The revenue from this additional charge shall be placed by the commissioner in a special account. For the benefit of employees employed in the capitol area, the money in the account *is appropriated to the commissioner and shall be used by the commissioner to acquire or lease commuter vans pursuant to section 16.756 and, within such limits and upon such conditions as the commissioner determines to be necessary, to reimburse state departments or agencies for costs resulting from agreements with the metropolitan transit commission or other operators pursuant to section 473.409.* The commissioner may adopt rules necessary to administer the provisions of this subdivision, subdivision 5, and section 473.409.

Sec. 23. Minnesota Statutes, 1977 Supplement, Section 16.80, Subdivision 1, is amended to read:

16.80 [GENERAL SERVICES REVOLVING FUND; COMPUTER SERVICES REVOLVING FUND.] Subdivision 1. All fees prescribed pursuant to section 16.026, subdivision 3, for the rendering of the services therein provided shall be deposited in the state treasury by the collecting department or agency and credited to the general services revolving fund.

All moneys in the state treasury credited to the general services revolving fund and any moneys which may hereafter be deposited therein are appropriated annually to the commissioner of administration for the following purposes:

- (a) The operation of a central store and equipment service;
- (b) The operation of a central duplication and reproduction service;
- (c) The purchase of postage and related items, and the refund of postage deposits, necessary to the operation of a central mailing service;
- (d) The operation of a documents service as prescribed by section 16.026;
- (e) The performing of services for any other state department or agency. Money shall be expended for this purpose only when directed by the governor. The department or agency receiving the services shall reimburse the fund for their cost, and the commissioner shall make the appropriate transfers when requested. The term "services" as used in this clause means compensation paid officers and employees of the state government; supplies, materials,

equipment and other articles and things used by or furnished to any department or agency of the state government; and utility services, including telephone, telegraph, postal, electric light and power, and other services for the maintenance, operation and upkeep of buildings and offices of the state government.

(f) The payment of office space rental when more than one state department or agency maintains office space in one building and said building is not owned by the state. When rental payments are made from the fund, each state department or agency served by this procedure shall reimburse the fund for its proportionate share of rent paid.

All moneys in the computer services revolving fund are appropriated annually to the commissioner of administration for the operation of the division of computer services.

Except as specifically provided for by other statutory provisions, each department or agency shall reimburse the computer services and general services revolving funds for the cost of all services, supplies, materials, labor and depreciation of equipment including reasonable overhead costs which the commissioner of administration is authorized and directed to furnish a department or agency. The cost of all publications or any other materials which may be produced by the commissioner of administration and financed from the general services revolving fund shall include reasonable overhead costs. The commissioner of finance shall make appropriate transfers to the revolving funds described in this section when requested by the commissioner of administration. The commissioner of administration may make allotments, encumbrances, and, with the approval of the commissioner of finance, disbursements in anticipation of such transfers. In addition, the commissioner of administration may require a department or agency to make advance payments to any of the aforesaid revolving funds sufficient to cover the department's or agency's estimated obligation for a period of at least 60 days. All such reimbursements and any other moneys received by the commissioner of administration under this section shall be deposited in the appropriate revolving fund.

Sec. 24. Minnesota Statutes, 1977 Supplement, Section 16A.126, is amended to read:

16A.126 [COMMISSIONER TO APPROVE BILLING RATES FOR REVOLVING FUNDS.] The commissioner of finance shall approve the rates at which services are billed state departments or agencies by any revolving fund. In order to reduce revolving fund reserves maintained for unforeseen needs and thereby reduce the rates which using agencies must pay, the commissioner may transfer moneys not otherwise appropriated in the general fund to a revolving fund if, in the commissioner's judgment, a bona fide, immediate expenditure is necessary and if there are insufficient moneys in the revolving fund to meet the expenditure. Any moneys so transferred, shall be repaid to the general fund within ~~two~~ *three* calendar years from the revolving fund charges paid by benefited state departments and agencies.

Sec. 25. Minnesota Statutes 1976, Section 85.021, Subdivision 2, is amended to read:

Subd. 2. [CONVEYANCE OF EXCESS.] Within one year after acquiring excess real estate pursuant to subdivision 1, the commissioner of administration shall ~~notify the governor that the excess real estate is available for sale. The commissioner shall then publish notice of sale for three successive weeks in a newspaper of general circulation in the territory from which bids are likely to be received. After receipt of sealed bids, and upon recommendation of the commissioner of administration, the governor shall convey the excess real estate by quitclaim deed in a form approved by the attorney general in the name of the state to the highest responsible bidder. The deed may contain restrictive clauses limiting the use of the real estate in the interest of preserving the integrity of the trail when the commissioner finds that the restrictions are reasonably necessary.~~

Sec. 26. Minnesota Statutes 1976, Section 112.801, Subdivision 8, is amended to read:

Subd. 8. All proceedings before the board *conducted pursuant to this chapter and chapter 105* shall be in conformity with sections 15.0411 to ~~15.0422~~ 15.052.

Sec. 27. Minnesota Statutes, 1976, Section 136.63, Subdivision 1a, is amended to read:

Subd. 1a. The state board for community colleges shall prescribe the courses of study including undergraduate academic programs, training in semi-professional and technical fields, and adult education, conditions of admission, fees and tuition to be paid by students, requirements for graduation, and such suitable rules and regulations necessary for the operation of such community colleges. ~~Rules and regulations so prescribed shall not be subject to the requirements of the administrative procedure act or any other law requiring notice, hearing or the approval of the attorney general prior to adoption.~~

Sec. 28. Minnesota Statutes 1976, Section 168.27, Subdivision 13, is amended to read:

Subd. 13. [SUSPENSION AND REVOCATION; HEARING.] The registrar of motor vehicles, upon his own motion or upon the complaint of another, shall prepare and cause to be served upon the licensee complained of, a written notice or complaint setting forth, in substance, the violations charged, a statement of the deficiencies which exist and any corrective action deemed appropriate. Said notice shall include a statement that in the event corrective action is deemed appropriate and corrective action is not taken, the dealer's license may be suspended or revoked. The notice shall require the licensee to appear at the time and place fixed therein before the registrar or inspector, and show cause why his license should not be suspended or revoked.

The registrar shall, at the time and place fixed in the notice, proceed to hear and determine the matter on its merits. All hearings shall be conducted in accordance with the provisions of chap-

ter 15, except that the provisions of section 15.052, subdivision 3, shall not apply. The registrar is authorized to subpoena witnesses and administer oaths. If the registrar shall find the existence of any of the causes for suspension or revocation as set forth in subdivision 12 and determine that corrective action has not been taken or that corrective action will not prevent repetition of the violations charged or that the public interest will not be served by corrective action and the licensee's license should be suspended or revoked, the registrar shall issue a written order setting out his decision, and a copy of such order shall be served upon such licensee in the manner provided by law for the service of summons in a civil action. If the registrar finds the dealer has violated any of the provisions of this section but that the nature of said violation or the circumstances thereof are such that a suspension of the license would be adequate, he may, instead of revoking the license suspend it for a period not exceeding 90 days. If he finds the violation does not justify a suspension only, he shall revoke the license. Upon a suspension or revocation, if it be a new or used motor vehicle dealer, said licensee shall immediately return to the registrar all number plates, including any "in transit" plates, in its possession and its dealer's license certificate.

Sec. 29. Minnesota Statutes 1976, Section 327.31, Subdivision 4, is amended to read:

Subd. 4. "Commissioner" means the commissioner of administration in respect to sections 327.31 to 327.34 and the commissioner of securities in the department of commerce in respect to sections 327.51 to 327.55.

Sec. 30. *The responsibility for administering Minnesota Statutes, Sections 327.51 to 327.55 is hereby transferred from the commissioner of administration to the commissioner of securities in the department of commerce.*

Sec. 31. [REPORT.] *The commissioners of securities and administration shall prepare and submit to the legislature no later than June 30, 1979, a report with recommendations discussing the desirability of regulating the sale and installation of mobile homes. The report shall evaluate the need for regulating each aspect and each profession involved in the sale and installation, and shall suggest specific statutory amendments where appropriate. The commissioner shall appoint an advisory task force to advise on the preparation of the report. The task force shall be representative of persons and agencies interested in mobile home usage, sales and installations, and shall be governed by the provisions of section 15.059. This section shall expire January 1, 1979.*

Sec. 32. Minnesota Statutes 1976, Section 360.305, Subdivision 2, is amended to read:

Subd. 2. Before any expenditure of any of the moneys appropriated pursuant to sections 360.301 to 360.306 to assist political subdivisions, municipalities, and public corporations in acquiring, constructing, improving, maintaining, and operating airports and other air navigation facilities may be authorized, the commissioner of transportation shall have made, with the approval of the

governor, an order designating the municipalities and airports which are a part of the key airport system, the intermediate airport system, the landing strip system, and the state system of radio and navigational aids, in accordance with the definitions and limitations stated in subdivision 3.

Sec. 33. Laws 1977, Chapter 305, Section 44, is amended to read:

Sec. 44. [TEMPORARY PROVISIONS.] The term of any department head or commissioner dealt with in this act shall expire the first Monday in January 1979, unless Minnesota Statutes provide for an earlier expiration date. In this event, the new appointment shall be made so as to expire the first Monday of January 1979.

Any department head or commissioner dealt with in this act and serving on the effective date of this act is deemed to have been appointed in compliance with the provisions of this act.

If any position which currently bears the title of deputy loses this title pursuant to section 1, subdivision 7, or any other provision of this act, the commissioner of personnel shall assign a new title. If the position is currently in the unclassified civil service, it shall remain in the unclassified civil service, and a person who loses the title of deputy commissioner shall receive, beginning with the first day of the first payroll period after July 1, 1977, the salary he would be entitled to on that date, if his title were to remain deputy commissioner. In the event that authorized, unclassified deputy positions are not filled, the department head or commissioner may fill these positions but only as permitted by applicable personnel complement limitations. Persons who are deputy commissioners and are in the classified service in departments or agencies affected by this act shall be entitled to the benefits and protections available to persons whose positions are declassified pursuant to section 43.09, subdivision 2a.

If any deputy loses his title as a result of Laws 1977, Chapter 305, he shall remain eligible for achievement awards pursuant to Minnesota Statutes, Section 43.069, for as long as he holds the re-designated position if he was eligible for achievement awards prior to May 28, 1977.

Sec. 34. [METROPOLITAN ADMINISTRATIVE PROCEDURES.] *Subdivision 1. [TASK FORCE; STUDY.] There is created a task force on metropolitan administrative procedures to consist of the following members: the chairman of the metropolitan council or his designee who shall serve as chairperson of the task force; one member or representative of each of the following metropolitan commissions to be appointed by the respective commissions: airports, sports facilities, transit and waste control; one member each to be appointed by the governing bodies of the league of Minnesota cities and the association of Minnesota counties; the attorney general or his designee; the chief hearing examiner or his designee; and six persons appointed by the following legislators to represent other public and private groups which have demonstrated an interest in metropolitan administrative procedures: two*

appointed by the majority leader of the senate, two by the speaker, and one each by the minority leaders of the senate and house. Necessary staff and administrative support services shall be provided by the metropolitan council.

Subd. 2. [STUDY GOALS.] In addition, the task force shall study and evaluate the administrative procedures used by the council and the commissions in the issuance of policies, rules and other general statements, and in the issuance of decisions affecting individual rights and privileges. The task force shall study, evaluate and make recommendations in respect to each of the following: (1) retention of procedures currently in use by the council and commissions, (2) adoption of procedural changes in respect to individual activities or types of activities, (3) passage of a general procedures enabling law pursuant to which the council and the commissions would formulate specific procedures for their various types of activities, (4) passage of a metropolitan procedure act to apply to all covered activities, and (5) application of all or part of the state administrative procedure act to council and commission activities. In evaluating each of the preceding the task force shall determine the degree to which each provides the public with the degree of fairness, uniformity, predictability, access, visibility, responsiveness and deliberateness necessary for the proper administration of council and commission activities. In considering these alternatives, the task force shall hold hearings to receive public testimony and shall give adequate notice of these hearings to interested groups and persons. In performing this study the task force shall also review and comment on the experience of the council and commissions in applying the administrative procedure act as permitted by Laws 1977, Chapter 443, Section 11 and as required by other law.

Subd. 3. [WORK PLAN.] Before June 1, 1978, the task force shall prepare and submit for review to the senate governmental operations committee and the house local and urban affairs committee a proposed study design and detailed work program. Periodically through the course of the study, the task force shall report on progress to the legislative committees. The task force shall prepare a report which shall discuss each of the options listed in subdivision 3 in respect to the evaluative criteria stated therein and any other relevant matters the task force wishes to bring to the attention of the legislature, the council or the commissions. The report shall also contain the recommendations and suggested statutory amendments of the task force and shall be submitted to the legislature, the council and commissions no later than January 15, 1979.

Subd. 4. [EXPIRATION.] This section shall expire June 30, 1979.

Sec. 35. A financial institution in the state which is required by the federal home loan mortgage act, Public Law 94-200, as amended, to compile certain information relating to mortgage loans shall submit copies of that information to the secretary of state. The commissioner shall make this information readily available for public viewing and for copying at cost.

Sec. 36. A financial institution in the state shall annually submit, together with the first report required to be submitted to the commissioner of banks after the end of its fiscal year, a report detailing the following information in respect to its average daily deposits over that fiscal year:

(a) the total amount of money on deposit from governmental units and the aggregate rate of interest paid thereon; and

(b) identification of the deposits by individual government units, types of account, and rate of interest. The commissioner of banks shall supply a copy of the report to the commissioner of finance.

Sec. 37. [EFFECTIVE DATE.] Sections 8, 26, 27 and 28 shall be effective for all rule making proceedings initiated after April 1, 1978. Sections 29 and 30 are effective July 1, 1979, or at such earlier date as the commissioners of securities and administration certify that the transfer is appropriate. Sections 35 and 36 are effective July 1, 1978. The remainder of this act is effective the day following final enactment."

Further, strike the title and insert:

"A bill for an act relating to the organization and operation of state government; clarifying the expiration dates of the terms of governor's appointees and executive orders; making members of the historical and agricultural societies subject to certain reporting requirements; requiring certain printing volume and cost factors to be printed on documents; removing the requirement that the governor approve rules of the commissioner of administration; requiring legislative ratification of reorganization orders; providing for reduction of certain allotments; relieving the governor of certain signatory duties in respect to certain classes of conveyances; clarifying the liability of members of the investment advisory council; amending reporting requirements; allowing the state to make advance payments or deposits for certain items; providing for centralized rental payments to be made from the general services revolving fund; extending the time in which to repay loans from the general fund to revolving funds; allowing the commissioner of administration to publish agency descriptions biennially instead of annually; modifying various provisions of the administrative procedure act and altering its applicability; modifying procedures used by the water resources board and the department of public safety; providing for a study of metropolitan agency procedures; transferring certain mobile home regulatory duties; requiring a study on mobile home regulation; requiring financial institutions to provide information relating to home mortgage loans and public deposits; amending Minnesota Statutes 1976, Sections 7.09, Subdivision 1; 10A.01, Subdivision 18; 15.0413, Subdivisions 1 and 2; 16.02, Subdivision 14; 16.026, Subdivision 2; 16.05; 16.096; 16.24; 16.28; 85.021, Subdivision 2; 112.801, Subdivision 8; 136.63, Subdivision 1a; 168.27, Subdivision 13; 327.31, Subdivision 4; 360.305, Subdivision 2; Minnesota Statutes, 1977 Supplement, Sections 4.035, Subdivision 3; 11.117, Subdivisions 4 and 6; 11.118; 11.145; 15.0411, Subdivision 2;

15.0412, Subdivisions 2, 4 and 5; 15.06, Subdivision 2; 16.125; 16.72, Subdivision 7; 16.80, Subdivision 1; 16A.126; and Laws 1977, Chapter 305, Section 44."

And when so amended the bill do pass. Mr. Tennesen questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. McCutcheon from the Committee on Taxes and Tax Laws, to which was referred

S. F. No. 2397: A bill for an act relating to taxation; income tax; providing a credit for certain members of the national guard; amending Minnesota Statutes 1976, Section 290.06, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 12, strike "*other than a*"

Page 1, line 13, strike "*commissioned officer*" and insert "*in the pay grade first lieutenant and below more than six months*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. McCutcheon from the Committee on Taxes and Tax Laws, to which was referred

H. F. No. 1916: A bill for an act relating to taxation; defining the use of sales ratio studies; requiring social security numbers; providing a procedure for handling ad valorem tax abatements; providing a uniform appeal and demand period; clarifying classification of certain homesteads; recodifying the classification of resort property; allowing a special levy for commuter van program; providing adjustments to the levy limit base; defining resident estate and resident trust for income tax purposes; defining income in computing low income credit; providing apportionment in computing minimum tax on preference items; allowing a carryback period for out-of-state losses; authorizing the commissioner of revenue to release information to assessors; amending Minnesota Statutes 1976, Sections 270.07, by adding a subdivision; 270.075, Subdivision 2; 270.076, Subdivision 1; 272.08; 273.13, Subdivision 19, and by adding a subdivision; 290.01, by adding subdivisions; 290.46; 290.47; 290.48, Subdivisions 1 and 2; 290A.11, Subdivision 1; 290A.12; 292.08, Subdivision 4; 292.09, Subdivision 3; 294.02; 294.021; 297.07, Subdivision 3; 297.09, Subdivision 5; 297.35, Subdivision 3; 297.37, Subdivision 5; 297A.31, Subdivision 1; 297A.33, Subdivision 1; and Chapter 270, by adding a section; Minnesota Statutes, 1977 Supplement, Sections 124.212, Subdivision 11; 273.13, Subdivisions 4 and 6; 275.50, Subdivision 5; 275.51, Subdivision 3d; 290.012, Subdivision 2; 290.091; 290.17; 298.282, Subdivision 2; 298.48, Subdivision 4; repealing Laws 1977, Chapter 307, Section 27.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 7 and 8, strike section 10 and insert:

"Sec. 10. Minnesota Statutes 1976, Section 273.13, Subdivision 6a, is amended to read:

Subd. 6a. [HOMESTEAD OWNED BY FAMILY FARM CORPORATION OR PARTNERSHIP.] (a) Each family farm corporation and each partnership operating a family farm shall be entitled to class 3b assessment and shall be eligible for the credit provided in subdivision 6 for one homestead occupied by a shareholder or partner thereof who is residing on the land and actively engaged in farming of the land owned by the corporation or partnership. Such a homestead shall not exceed ~~120~~ 160 acres, and shall be assessed as provided in subdivision 6, notwithstanding the fact that legal title to the property may be in the name of the corporation or partnership and not in the name of the person residing thereon. "Family farm corporation" and "family farm" shall mean as defined in section 500.24.

(b) In addition to property specified in paragraph (a), any other residences owned by corporations or partnerships described in paragraph (a) which are located on agricultural land and occupied as homesteads by shareholders or partners who are actively engaged in farming on behalf of the corporation or partnership shall also be assessed as class 3b property, and be entitled to the credit provided in subdivision 6, but the property eligible shall be limited to the residence itself and as much of the land surrounding the homestead, not exceeding one acre, as is reasonably necessary for the use of the dwelling as a home, and shall not include any other structures that may be located thereon."

Page 34, after line 15, insert

"Sec. 33. Minnesota Statutes 1976, Section 297B.035, is amended by adding a subdivision to read:

Subd. 3. Motor vehicles sold by a new motor vehicle dealer in contravention of section 168.27, subdivision 10, clause (1)(b) shall not be considered to have been acquired or purchased for resale in the ordinary or regular course of business for the purposes of this chapter, and the dealer shall be required to pay the excise tax due on the purchase of those vehicles."

Page 36, after line 23, insert:

"Sec. 37. Laws 1977, Chapter 423, Article I, Section 16, is amended to read:

Sec. 16. [EFFECTIVE DATE.] The Internal Revenue Code updated provision in section 1 is effective for taxable years beginning after December 31, 1976. Section 3 is effective for wages paid after December 31, 1977. Section 14 is effective for taxable years beginning after December 31, 1976. *Insofar as it applies to estates and trusts, section 11 is effective for taxable years beginning after December 31, 1978.* The remainder of this article is effective for taxable years beginning after December 31, 1977."

Renumber the sections in sequence

Page 36, line 26, strike "33"

Page 36, line 26, after "34" insert "35"

Page 36, line 27, strike "36" and insert "38"

Page 36, line 28, strike "35" and insert "36"

Page 36, line 30, after the period insert "*Section 10 is effective for taxes levied in 1978, payable in 1979 and subsequent years.*"

Page 36, line 31, strike "10 to" and insert "11 and"

Page 37, line 4, after the period insert "*Section 33 is effective for sales occurring after June 30, 1978, provided that excise taxes shall not be due or collected with respect to sales occurring prior to July 1, 1978. Section 37 is effective for taxable years beginning after December 31, 1977.*"

Amend the title as follows:

Page 1, line 6, strike "clarifying classification of certain"

Page 1, line 7, strike "homesteads" and insert "increasing size of family farm which qualifies for homestead treatment"

Page 1, line 16, after the semicolon insert "imposing the motor vehicle excise tax on future sales of certain motor vehicles; delaying effective date of estate and trust income allocation provision;"

Page 1, line 20, strike "19" and insert "6a"

Page 1, line 27, after "297A.33, Subdivision 1;" insert "297B.035, by adding a subdivision;"

Page 1, line 33, after the semicolon insert "and Laws 1977, Chapter 423, Article 1, Section 16;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Tennesen from the Committee on Commerce, to which was referred

S. F. No. 2053: A bill for an act relating to banks; open-end loan account arrangements; authorizing alternative finance charge for use of bank credit cards; amending Minnesota Statutes 1976, Section 48.185, Subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, after line 4, insert:

"Sec. 2. Minnesota Statutes 1976, Chapter 48, is amended by adding a section to read:

[48.186] [USURIOUS TRANSACTIONS.] *Any financial institution as defined in section 51A.02, subdivision 7, charging any interest or premium for any loan or forbearance in excess of the amount allowed by section 334.01, shall be liable for twice the*

recovery allowed pursuant to section 334.02. The provisions of sections 334.03 and 334.05 shall not apply to any financial institution.

Sec. 3. Minnesota Statutes 1976, Section 334.16, is amended to read:

334.16 [FINANCE CHARGES FOR OPEN END CREDIT SALES.] Subdivision 1. **[LIMITATION OF RATES.]** The imposition, charge or collection of a finance charge upon an account balance by a seller of goods, services or both shall be lawful, provided that:

(a) The sale is a consumer credit sale pursuant to an open end credit plan, agreement or arrangement between the buyer and seller under which (1) the seller may permit the buyer to make purchases from time to time from the seller or other sellers, (2) the buyer has the privilege of paying the balance in full or in installments, and (3) a finance charge may be computed by the seller from time to time on an outstanding unpaid balance; and

(b) The terms of the plan, agreement or arrangement provide for a periodic rate of finance charge which does not exceed one and one-half percent per month computed on an amount no greater than the average daily balance of the account during each monthly billing cycle; provided a minimum finance charge not in excess of 50 cents per month may be imposed, charged or collected.

Subd. 1a. [COMPUTATION OF AVERAGE DAILY BALANCE.] If a plan, agreement or arrangement provides that if full payment is made within a certain time a finance charge will not be imposed, and if full payment is not made within that time, then the calculation of the average daily balance for the purpose of the limitation on rates imposed by subdivision 1, clause (b) shall be made by excluding from the daily balances the amount of each sale from the date of the sale until the last day of the regular billing cycle during which the sale was made. The portion of any balance arising from the sale of goods which are returned shall be excluded from the unpaid balance as of the date the goods are returned.

Subd. 2. [DEFINITIONS AND COMPUTATIONS.] The definitions and the provisions on computation of percentage rates in the Truth-in-Lending Act, Title I of the Consumer Credit Protection Act, P.L. 90-321, and in Regulation Z of the Board of Governors of the Federal Reserve System adopted pursuant thereto, 12 CFR 226, as in effect on June 5, 1971, shall apply to the terms used in sections 334.16 to 334.18, and computations thereunder."

Amend the title as follows:

Page 1, line 4, after the semicolon insert "providing a penalty for usury; changing the charge for open-end credit sales; providing for computation of the average daily balance;"

Page 1, line 5, strike "Section" and insert "Sections"

Page 1, line 6, after "3" insert "; 334.16; and Chapter 48, by adding a section"

And when so amended the bill do pass. Amendments adopted.
Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

H. F. No. 2043: A bill for an act relating to the legislature; continuation in or return of members to their employment after legislative sessions; prescribing a period during which a member may not be discharged except for good cause; political discrimination; amending Minnesota Statutes 1976, Section 3.083.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, strike lines 1 to 6 and insert:

"Subd. 2. No employer may at any time discharge or otherwise discriminate against an employee who is or was a member of the legislature in retribution for statements made or beliefs held by the employee in his capacity as a member of the legislature."

Sec. 2. This act is effective the day following final enactment."

Amend the title as follows:

Page 1, line 2, strike everything after the semicolon

Page 1, strike lines 3 to 5

Page 1, line 6, strike everything before the second semicolon and insert "prohibiting an employer from discharging or discriminating against legislators or former legislators in retribution for political statements or beliefs"

And when so amended the bill do pass. Amendments adopted.
Report adopted.

Mr. Tennessen from the Committee on Commerce, to which was referred

H. F. No. 1329: A bill for an act relating to licensed employments; licensing and regulation of master plumbers; regulation and licensing of contracting steamfitters; amending Minnesota Statutes 1976, Sections 326.40 and 326.48.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 8, strike "such" and insert "the"

Page 2, line 10, strike "state board" and insert "department"

Page 2, line 10, strike "and"

Page 2, line 11, strike "regulations"

Page 3, line 32, strike "such" and insert "the"

Page 4, line 11, strike "such" and insert "the"

Page 4, line 14, strike "and regulations"

Page 4, line 29, after "for" insert "a"

And when so amended the bill do pass. Amendments adopted.
Report adopted.

Mr. Tennessen from the Committee on Commerce, to which was referred

H. F. No. 2216: A bill for an act relating to insurance companies; providing for the reporting of certain claims and other information to the commissioner of insurance; amending Minnesota Statutes 1976, Chapter 72A, by adding a section.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 12, strike "every" and insert "each"

Page 2, line 17, strike "every" and insert "each"

And when so amended the bill do pass. Amendments adopted.
Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

H. F. No. 1760: A bill for an act relating to the city of Crystal; benefits payable by the firefighter's relief association; amending Laws 1969, Chapter 1088, Sections 2, 4, 5, and 6.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 6, insert:

"Section 1. Laws 1969, Chapter 1088, Section 1, is amended to read:

Section 1. [CRYSTAL, CITY OF; FIREFIGHTER'S RELIEF ASSOCIATION.] Notwithstanding the contrary provisions of Minnesota Statutes, Chapter 424, and other laws regarding firemen's firefighter's relief associations organized and operating under the laws of the state of Minnesota, the firemen's firefighter's relief association of the city of Crystal, Minnesota, hereafter referred to as the association, shall provide the additional benefits set forth in this act to its members."

Page 1, line 20, after "life" insert "*of the member*"

Page 2, line 5, strike "his widow" and insert "*a member's surviving spouse*"

Page 2, line 9, strike "widow's" and insert "*surviving spouse's*"

Page 2, line 13, strike "her" and insert "*the*"

Page 2, line 13, after "life" insert "*of the surviving spouse*"

Page 2, line 13, strike "she remarry" and insert "*the surviving spouse remarries*"

Page 2, line 14, strike "such" and insert "*the*"

Page 2, line 14, strike "her"

Page 2, line 15, after "remarriage" insert "*of the surviving spouse*"

Page 2, line 16, strike "widow" and insert "*surviving spouse*"

Page 2, line 17, strike "wife" and insert "*spouse*"

Page 2, line 18, strike "such" and insert "*the spouse of the member*"

Page 2, line 19, strike "his" and insert "*the member's*"

Page 2, line 21, strike "such" and insert "*the*"

Page 2, line 22, strike "his" and insert "*the member's*"

Page 2, line 24, strike "children's" and insert "*surviving child's*"

Page 2, line 24, strike "his" and insert "*the*"

Page 2, line 24, strike "children" and insert "*child of a member*"

Page 2, line 28, strike "their mother" and insert "*the surviving parent*"

Page 2, line 29, strike "widow's" and insert "*surviving spouse's*"

Page 2, line 32, strike "widow's" and insert "*surviving spouse's*"

Page 3, line 4, strike the first "children" and insert "*child*"

Page 3, line 4, strike "or children"

Page 3, line 7, strike "his" and insert "*the member's*"

Page 3, line 8, strike "his" and insert "*the member's*"

Page 3, line 8, strike "he" and insert "*the member*"

Page 3, line 9, strike "Surviving children" and insert "*The term*"

Page 3, line 9, after "shall" insert "*also*"

Page 3, line 10, strike "children" and insert "*a child*"

Page 3, line 11, strike "children" and insert "*a child*"

Page 3, line 11, strike "predecease" and insert "*predeceases*"

Page 3, line 14, strike "children's" and insert "*surviving child's*"

Page 3, line 14, strike "his" and insert "*the*"

Page 3, line 15, strike "children" and insert "*child of a deceased member*"

Page 3, line 18, strike "survive" and insert "*survives*"

Page 3, line 19, strike "their mother" and insert "*the surviving parent*"

Page 4, line 3, after "award" insert "*payable upon the elimination of a volunteer position*"

Page 4, line 3, strike "member's reaching" and insert "*date that the member reaches*"

Page 4, line 10, strike "widow" and insert "*surviving spouse*"

Page 4, line 16, strike "widow's" and insert "*surviving spouse's*"

Page 4, line 20, strike "children's" and insert "*surviving child's*"

Page 4, line 20, strike "the" and insert "a"

Page 4, line 20, strike "children" and insert "*child*"

Page 4, line 26, strike "mother" and insert "*surviving parent*"

Page 4, line 30, after the second "the" insert "*surviving*"

Page 5, line 2, strike "the" and insert "a"

Page 5, line 2, strike "children" and insert "*child*"

Page 5, line 8, strike "said"

Page 5, line 9, strike "he" and insert "*the member*"

Page 5, line 10, strike "widow" and insert "*surviving spouse*"

Page 5, line 11, strike "widow" and insert "*surviving spouse*"

Page 5, line 12, strike "widow's" and insert "*surviving spouse's*"

Page 5, line 14, strike "children's" and insert "*surviving child's*"

Page 5, line 17, after "the" insert "*surviving*"

Page 5, line 24, strike "he" and insert "*the member*"

Page 6, line 2, strike "his"

Page 6, line 4, strike "such" and insert "*the*"

Page 6, line 5, strike "him" and insert "*the member*"

Page 6, line 5, strike "his"

Page 6, line 6, strike "*him*" and insert "*the member*"

Page 6, line 7, strike "*his*" and insert "*the member's*"

Page 6, line 8, strike "such" and insert "*the*"

Page 6, line 8, after "benefits" insert a comma

Page 6, line 8, strike "which" and insert "*provided however that the amount*"

Page 6, line 11, strike "his" and insert "*the occurrence of the*"

Page 6, after line 12, insert:

"Sec. 6. Laws 1969, Chapter 1088, Section 7, is amended to read:

Sec. 7. If the city shall convert the volunteer fire department to a full time, paid fire department and if any volunteer should become a full time fireman firefighter, his the volunteer time shall apply toward his the member's retirement under the terms

of the full time retirement program of the city; provided, however, that benefits shall be determined on a pro rata basis so that volunteer benefits are paid for the time worked as a volunteer and benefits under the full time retirement program of the city shall be paid for the time spent as a paid fireman firefighter .

Sec. 7. Laws 1969, Chapter 1088, Section 8, is amended to read:

Sec. 8. Subdivision 1. The treasurer of the city of Crystal and the secretary of the association, maintaining and administering the firemen's firefighter's pension fund, shall during the month of June of each year prepare and certify an estimate of the necessary appropriation which will be sufficient to meet the eurrent normal cost determined by the entry age normal cost method based upon three percent interest assumption, plus an additional amount sufficient to retire the accumulated deficit within 40 years of the passage of this act. The estimate shall be reduced by aids or estimated aids from the state of Minnesota. During the first year after the passage of this act, and at least once every four years thereafter, the association shall obtain an actuarial survey and report to assist in the preparation of annual estimates required by this section, which survey and report shall be prepared in accordance with the provisions of Laws 1965, Chapter 751, as amended minimum municipal obligation determined pursuant to Minnesota Statutes, Section 69.773. The association shall have an actuarial survey made and filed in accordance with Minnesota Statutes, Section 69.773, Subdivision 2 .

The records of account shall be maintained under the direction of the city treasurer and the secretary of the association. The system of accounting employed shall be in accordance with generally accepted accounting principles, and shall employ applicable actuarial assumptions in a manner which will provide an actuarial measurement of the liabilities for accumulated pension reserves needed for in-service members, the liabilities for rights which have become vested, and the overall financial solvency of the fund. Within 90 days following the end of each fiscal year the city treasurer shall submit a report to the city council which shall reflect the financial condition of the relief association fund.

Subd. 2. The city shall levy a tax for the firemen's firefighter's pension fund equal to the net amount so certified, in the manner and at the time it levies other taxes. When the fund has reached a point sufficient to fully fund the association, the tax levy shall be established at an amount sufficient to maintain the fund in a completely funded status as new obligations are incurred. The proceeds of this tax shall be paid into the firemen's firefighter's pension fund.

Sec. 8. Laws 1969, Chapter 1088, Section 10, is amended to read:

Sec. 10. Moneys in the pension fund shall be disbursed only for purposes and in the manner authorized by the articles of incorporation or bylaws of the association. The funds assets of

the association shall be invested in securities which are permitted by law as investments for ~~funds assets~~ of the Minnesota state retirement system and ~~funds assets~~ of Minnesota firemen's fire-fighters relief associations."

Renumber the sections in sequence

Further, amend the title as follows:

Page 1, line 4, after "sections" insert "1,"

Page 1, line 4, strike "and"

Page 1, line 4, after "6" insert ", 7, 8 and 10"

And when so amended the bill do pass. Amendments adopted.
Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

H. F. No. 1783: A bill for an act relating to the city of Brainerd; service credit in the public employees police and fire fund for the fire chief therein.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, after line 5, insert:

"Sec. 2. [LIMITATION ON VOLUNTEER FIREFIGHTER'S RELIEF ASSOCIATION.] Any person to whom section 1 applies shall not be entitled to accrue any further service credit in the Brainerd volunteer firefighter's relief association after the effective date of this act.

Sec. 3. This act is effective upon approval by the Brainerd city council and upon compliance with Minnesota Statutes, Section 645.021."

And when so amended the bill do pass. Amendments adopted.
Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

H. F. No. 1821: A bill for an act relating to the city of Brainerd; firefighters' service pensions; amending Laws 1973, Chapter 170, Section 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

H. F. No. 2102: A bill for an act relating to labor; clarifying the definition of public employer in the public employees labor relations act; amending Minnesota Statutes 1976, Section 179.63, Sub-division 4.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 1 and 2, strike subdivision 4 and insert:

Subd. 4. "Public employer" or "employer" means (a) the ~~commissioner of personnel of the state of Minnesota and its political subdivisions and any agency or instrumentality of either; including in respect to employees of the state not otherwise provided for herein;~~ (b) the board of regents of the University of Minnesota, the state universities and community colleges and school districts and their respective representatives in respect to employees thereof; and (c) the governing body of a political subdivision or agency or instrumentality thereof which has final budgetary approval authority, in respect to employees of that subdivision, agency or instrumentality. The term does not include a "charitable hospital" as defined in section 179.35, subdivision 2. Nothing in this subdivision shall be construed to impair the powers granted pursuant to law to an appointing authority who is not an employer under this subdivision, in respect to the selection, direction, discipline or discharge of an employee.

Sec. 2. *This act is effective May 1, 1978.*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred H. F. No. 2273 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.
2273	2047				

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which were referred H. F. Nos. 2377, 2197, 2196, 1823 and 2299 for comparison with companion Senate Files, reports the following House Files were found not identical with their companion Senate Files 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.
2377	2251				
2197	1954				
2196	2105				
1823	1733				
2299	2117				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2377 be amended as follows:

Page 1, line 10, delete "board of supervisors" and insert "electors"

Page 1, line 11, before the period insert "at the annual town meeting or special town meeting called for that purpose"

Further, amend the title as follows:

Line 3, delete "board of supervisors" and insert "electors of the town"

And when so amended H. F. No. 2377 will be identical to S. F. No. 2251, and further recommends that H. F. No. 2377 be given its second reading and substituted for S. F. No. 2251, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2197 be amended as follows:

Page 3, line 11, delete "heretofore or hereafter"

And when so amended H. F. No. 2197 will be identical to S. F. No. 1954, and further recommends that H. F. No. 2197 be given its second reading and substituted for S. F. No. 1954, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2196 be amended as follows:

Delete page 3, line 15 to page 4, line 11

Page 16, after line 25, insert

"Sec. 5. Laws 1976, Chapter 158, Section 4, is amended to read:

Sec. 4. Subdivision 1. The state of Minnesota hereby waives immunity and consents to commencement of a suit in the case set forth in this section. Any suit shall be commenced within six months from the date of final enactment. The state and the department of public welfare may be named as defendants in any suit commenced under this section and shall be served by the service of a summons and complaint upon the attorney general. The sums necessary to pay any resulting judgment are hereby appropriated from the fund designated. In no case shall the judgment exceed the monetary ceiling set forth in this section; provided further that the parties are *shall not authorized to settle this case prior to trial but without the approval of the court before which the case is pending. In the event the case is tried, the parties are directed to litigate fully the following issues: Was the state of Minnesota negligent in allowing a patient to escape from*

the Anoka state hospital? If so, was ~~this~~ *the* negligence the proximate cause of the fire at the Rum River Lumber Company? If so, what are the monetary damages for loss of income and property loss? The state and the department are further instructed to take all applicable appeals available to them. This waiver of immunity is not an admission of liability on the part of the state or its departments. Further, the ceilings set forth below should not be construed in any way as a determination by the legislature as to the amount of loss suffered by the claimant. In any such action, the state or its departments may interpose any legal or equitable defense except the defenses of sovereign immunity and the statute of limitations.

Subd. 2. Rum River Lumber Company, Anoka, Minnesota, for loss of income and property damage not covered by insurance resulting from a fire allegedly set by an escapee from the Anoka state hospital. Any judgment rendered in this matter shall not exceed ~~\$25,000~~ \$15,835 for loss of income and ~~\$16,000~~ \$131,808 for property damage. Any such judgment shall be satisfied from any moneys in the state treasury not otherwise appropriated."

Renumber remaining section

Underscore all new text

Further, amend the title as follows:

Line 3, before the period insert "altering conditions for waiver of immunity from suit by Rum River Lumber Company; amending Laws 1975, Chapter 158, Section 4"

And when so amended H. F. No. 2196 will be identical to S. F. No. 2105, and further recommends that H. F. No. 2196 be given its second reading and substituted for S. F. No. 2105, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1823 be amended as follows:

Page 2, line 8, restore the stricken "or"

Page 2, line 9, delete "notarized"

Page 2, line 12, delete "of" and after "the" restore the stricken language and insert "child"

Page 2, line 13, restore the stricken language

Page 2, line 14, restore the stricken "immunization" and delete the new language

Page 2, delete line 15

Page 2, line 16, delete everything before the period

Page 3, line 7, after "to" insert "this" and delete "123.70"

Page 3, line 8, delete "*public's*" and after "*health*" insert "*of the public*"

And when so amended H. F. No. 1823 will be identical to S. F. No. 1733, and further recommends that H. F. No. 1823 be given its second reading and substituted for S. F. No. 1733, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2299 be amended as follows:

Page 1, line 21, restore the stricken language

And when so amended H. F. No. 2299 will be identical to S. F. No. 2117, and further recommends that H. F. No. 2299 be given its second reading and substituted for S. F. No. 2117, 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. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1826: A bill for an act relating to marriage and divorce; revising provisions allowing minors to marry; modifying prohibitions of marriage between certain parties; modifying requirements to receive a marriage license; requiring blood tests of applicants for a license to marry; modifying penalties for certain offenses; providing that children born of a prohibited marriage are legitimate; revising procedures and grounds for annulment actions; declaring the legal rights of putative spouses; providing new procedures for actions of dissolution and legal separation; limiting grounds for a dissolution to a finding that the marriage is irretrievably broken; modifying procedures for custody proceedings; declaring the right of a custodial parent to determine a child's upbringing; defining marital property; defining provisions for an award of maintenance to a spouse; amending Minnesota Statutes 1976, Sections 517.02; 517.03; 517.04; 517.05; 517.06; 517.07; 517.09; 517.13; 517.14; 517.15; 517.16; 517.17; 517.19; 518.001; 518.01; 518.02; 518.03; 518.05; 518.06, Subdivision 1, and by adding a subdivision; 518.07; 518.09; 518.10; 518.11; 518.12; 518.13; 518.14; 518.16; 518.165; 518.17; 518.175, Subdivisions 1 and 3, and by adding a subdivision; 518.18; 518.24; 518.27; 518.54; 518.55; 518.57; 518.58; 518.61; 518.62; 518.63; 518.64; 518.65; Chapter 517, by adding a section; and Chapter 518, by adding sections; and Minnesota Statutes, 1977 Supplement, Sections 517.01; 517.08, Subdivisions 1 and 3; 518.155; and 518.551; repealing Minnesota Statutes 1976, Sections 518.06, Subdivision 2; 518.15; 518.29; 518.59; and 518.67.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

“Section 1. Minnesota Statutes, 1977 Supplement, Section 517.01, is amended to read:

517.01 [MARRIAGE A CIVIL CONTRACT.] Marriage, so far as its validity in law is concerned, is a civil contract between a man and a woman, to which the consent of the parties, capable in law of contracting, is essential. Lawful marriage hereafter may be contracted only when a license has been obtained therefor as provided by law and when such *the* marriage is contracted in the presence of two witnesses and solemnized by one authorized, or whom the parties in good faith believe to be authorized, so to do. Marriages subsequent to April 26, 1941, not so contracted shall be null and void.

Sec. 2. Minnesota Statutes 1976, Section 517.02, is amended to read:

517.02 [PERSONS CAPABLE OF CONTRACTING.] *Subdivision 1.* Every person who has *will have* attained the full age of 18 years *at the time the marriage license becomes effective* is capable in law of contracting marriage, if otherwise competent. A female person of the full ~~age~~ of 16 years may, with the consent of her parents, guardian, or the court, as provided in section 517.08, receive a license to marry, when, after a careful inquiry into the facts and the surrounding circumstances, her application for a license is approved by the judge of the juvenile court of the county in which she resides *A person who has attained the age of 16 years and has the consent to the marriage of both parents or guardian and judicial approval, is capable of contracting marriage, if otherwise competent.*

Subd. 2. *The judge of juvenile court of the county in which the application for license was made, after a reasonable effort has been made to notify the parents or guardian of each underaged party, may order the clerk to issue a marriage license and a marriage certificate form to a party aged 16 or 17 years who has no parent or guardian or has no parent or guardian capable of consenting to his marriage, only if the court finds that the underaged party is capable of assuming the responsibilities of marriage and the marriage would serve his best interests. Pregnancy alone does not establish that the best interests of the party would be served.*

If the judge of juvenile court of the county in which she resides is absent from the county and has not by order assigned another probate judge or a retired probate judge to act in his stead, then the court commissioner or any judge of district court of the county may approve her the application for a license.

Sec. 3. Minnesota Statutes 1976, Section 517.03, is amended to read.

517.03 [PROHIBITED MARRIAGES.] ~~No marriage shall be~~

contracted while either of the parties has a husband or wife living; nor within six months after either has been divorced from a former spouse; excepting re-intermarriage between such parties; nor within six months after either was a party to a marriage which has been adjudged a nullity; excepting intermarriage between such parties; nor between parties who are nearer than second cousins, whether of the half or whole blood, computed by the rules of the civil law; nor between persons one of whom is a male person under 18 years of age or one of whom is a female person under the age of 16 years; *The following marriages are prohibited:*

(a) *a marriage entered into prior to the dissolution of an earlier marriage of one of the parties;*

(b) *a marriage between an ancestor and a descendant, or between a brother and a sister, whether the relationship is by the half or the whole blood or by adoption;*

(c) *a marriage between an uncle and a niece, between an aunt and a nephew, or between first cousins, whether the relationship is by the half or the whole blood, except as to marriages permitted by the established customs of aboriginal cultures; provided, however, that mentally deficient persons committed to the guardianship of the commissioner of public welfare and mentally deficient persons committed to the conservatorship of the commissioner of public welfare in which the terms of the conservatorship limit the right to marry, may marry on receipt of written consent of the commissioner. The commissioner shall grant such consent unless it appears from his investigation that such the marriage is not in the best interest of the ward or conservatee and the public. The clerk of the district court in the county where the application for a license is made by such the ward or conservatee shall not issue the license unless and until he has received a signed copy of the consent of the commissioner of public welfare.*

Sec. 4. Minnesota Statutes 1976, Section 517.04, is amended to read:

517.04 [SOLEMNIZATION.] *Marriages may be solemnized by any justice of the peace in the county in which he is elected, and throughout the state by any a judge of a court of record, a clerk of court, the superintendent of the department for the deaf and dumb, in the state school for the deaf and blind the residential school administrators of the Minnesota School for the deaf and the Minnesota braille and sight-saving school , or any a licensed or ordained minister of the gospel in regular communion with a religious society any religious denomination, or by any mode recognized in section 517.18 .*

Sec. 5. Minnesota Statutes 1976, Section 517.05, is amended to read:

517.05 [CREDENTIALS OF MINISTER.] *Ministers of the gospel any religious denomination , before they are authorized to perform the solemnize a marriage rite, shall file a copy of their credentials of license or ordination with the clerk of the district court of same a county in this state, who shall record the same and*

give a certificate thereof ; and . The place where such *the* credentials are recorded shall be endorsed upon and recorded with each certificate of marriage granted by a minister.

Sec. 6. Minnesota Statutes 1976, Section 517.06, is amended to read:

517.06 [PARTIES EXAMINED.] Every person authorized by law to perform the marriage ceremony, before solemnizing *any a* marriage, may examine the parties on oath, which oath he is authorized to administer, as to the legality of *such the* intended marriage, and no such person shall solemnize a marriage unless he is satisfied that there is no legal impediment *thereto to it* .

Sec. 7. Minnesota Statutes 1976, Section 517.07; is amended to read:

517.07 [LICENSE.] Before any persons *shall be are* joined in marriage, a license shall be obtained from the clerk of the district court of the county in which the woman resides, *or, if not a resident of this state, then from the clerk of the district court of any county and* . The marriage need not take place in the county where the license is obtained.

Sec. 8. Minnesota Statutes, 1977 Supplement, Section 517.08, Subdivision 1, is amended to read:

517.08 [APPLICATION FOR LICENSE.] Subdivision *1 1a* . Application for a marriage license shall be made *at least five days before a license shall be issued. Such application shall be made upon a form provided for the purpose and shall contain the following information:*

the full names of the parties,

their post office addresses and county and state of residence,

their full ages,

if either party has previously been married, his married name, and the date, place and court in which the marriage was dissolved or annulled or the date and place of death of the former spouse,

if either party is a minor, the name and address of the minor's parents or guardian,

whether the parties are related to each other, and, if so, their relationship,

the name and date of birth of any child of which both parties are parents, born before the making of the application, unless their parental rights and the parent and child relationship with respect to the child have been terminated,

address of the bride and groom after the marriage to which the clerk shall send a certified copy of the marriage certificate,

and the full names the parties will have after marriage.

Subd. 1b. The clerk shall examine upon oath the party applying for a license relative to the legality of such the contemplated marriage and, . If at the expiration of this a five-day period, he is satisfied that there is no legal impediment thereto to it, he shall issue such the license, containing the full names of the parties before and after marriage, and county and state of residence, with the district court seal attached, and make a record of the date of issuance thereof, which . The license shall be valid for a period of six months. In case of emergency or extraordinary circumstances, the a judge of the probate county court, the court commissioner, or any a judge of the district court, of the county in which the application is made, may authorize the license to be issued at any time before the expiration of the five days. The clerk shall collect from the applicant a fee of \$11 for administering the oath, issuing, recording, and filing all papers required, and preparing and transmitting to the state registrar of vital statistics the reports of marriage required by this section. If illness or other extenuating circumstances, it may be surrendered to the clerk for cancellation, and in such that case a new license shall issue upon request of the parties of the original license without fee therefor . Any A clerk who shall knowingly issue or sign issues or signs a marriage license in any other manner other than as provided in this section provided shall forfeit and pay to for the use of the parties aggrieved an amount not to exceed \$1,000.

Sec. 9. Minnesota Statutes, 1977 Supplement, Section 517.08, Subdivision 3, is amended to read:

Subd. 3. The personal information necessary to complete the report of marriage shall be furnished by the applicant prior to the issuance of the license. The report shall contain only the following information:

(a) Personal information on bride and groom.

1. Name.
2. Residence.
3. Date and place of birth.
4. Race.
5. If previously married, how terminated.
6. Name after marriage.
7. Signature of applicant and date signed.

(b) Information concerning the marriage.

1. Date of marriage.
2. Place of marriage.
3. Civil or religious ceremony.

(c) Signature of clerk of court and date signed.

~~(d) Address of the bride and groom after the marriage to which the clerk shall send a certified copy of the marriage certificate.~~

Sec. 10. Minnesota Statutes 1976, Section 517.09, is amended to read:

517.09 [SOLEMNIZATION.] ~~In the solemnization of marriage No particular form shall be is required to solemnize a marriage , except : that the parties shall declare in the presence of a person authorized by section 517.04 to solemnize marriages ; and the two attending witnesses that they take each other as husband and wife ; or the marriage shall be solemnized in a manner provided by section 517.18 . In each case at least two witnesses shall be present besides the person performing the ceremony.~~

Sec. 11. Minnesota Statutes 1976, Section 517.13, is amended to read:

517.13 [PENALTY FOR FAILURE TO DELIVER AND FILE CERTIFICATE.] Every person solemnizing a marriage who shall ~~neglect neglects~~ to ~~make and~~ deliver to the clerk a certificate thereof within the time above specified ~~set forth in section 517.10~~ shall forfeit a sum not exceeding \$100, and every clerk who neglects to record ~~such a~~ certificate shall forfeit a like sum.

Sec. 12. Minnesota Statutes 1976, Section 517.14, is amended to read:

517.14 [ILLEGAL MARRIAGE; FALSE CERTIFICATE; PENALTY.] ~~If any A person authorized by law to solemnize marriages join persons in who marriage shall knowingly solemnize any solemnizes a marriage contrary to the provisions of this chapter , or knowing of any legal impediment to the proposed marriage, or who wilfully make any makes a false certificate of any marriage, or pretended marriage, he shall forfeit for every such offense a sum not exceeding \$500, or may be imprisoned not exceeding one year is guilty of a misdemeanor .~~

Sec. 13. Minnesota Statutes 1976, Section 517.15, is amended to read:

517.15 [UNAUTHORIZED PERSON PERFORMING CEREMONY.] ~~If any A person who undertakes to join others in marriage solemnize a marriage , knowing that he is not lawfully authorized to do so, or knowing of any legal impediment to the proposed marriage he shall be is guilty of a gross misdemeanor ; and, upon conviction thereof, punished by imprisonment of not more than one year, or by a fine of not more than \$500, or by both such fine and imprisonment .~~

Sec. 14. Minnesota Statutes 1976, Section 517.16, is amended to read:

517.16 [IMMATERIAL IRREGULARITY OF OFFICIATING PERSON DOES NOT VOID.] ~~No A marriage solemnized before any a person professing to be a judge, justice of the peace, or minister of the gospel lawfully authorized to do so shall not be deemed or adjudged to be void, nor shall the its validity thereof be in any way affected, on account of any a want of jurisdiction or authority in such the supposed officer or person ; provided, if the marriage is consummated with the full belief on the part of~~

the persons so married, or either of them, that they have been lawfully joined in marriage.

Sec. 15. Minnesota Statutes 1976, Section 517.19, is amended to read:

517.19 [ILLEGITIMATE CHILDREN.] Illegitimate children shall become legitimized by the subsequent marriage of their parents to each other, and the issue of marriages declared null in law shall nevertheless be legitimate.

Children born of a prohibited marriage are legitimate.

Sec. 16. Minnesota Statutes 1976, Chapter 517, is amended by adding a section to read:

[517.20] [APPLICATION.] *All marriages contracted within this state prior to the effective date of this act or outside this state that were valid at the time of the contract or subsequently validated by the laws of the place in which they were contracted or by the domicile of the parties are valid in this state.*

Sec. 17. Minnesota Statutes 1976, Chapter 518, is amended by adding a section to read:

[518.005] [RULES GOVERNING PROCEEDINGS.] *Subdivision 1. Unless otherwise specifically provided, the rules of civil procedure for the district court apply to all proceedings under chapter 518.*

Subd. 2. A proceeding for dissolution of marriage, legal separation, or annulment shall be entitled "In re the Marriage of. . . . and" A custody or support proceeding shall be entitled "In re the [Custody] [Support] of."

Subd. 3. The initial pleading in all proceedings under Minnesota Statutes, Sections 518.001 to 518.66 shall be denominated a petition. A responsive pleading shall be denominated a response. Other pleadings shall be denominated as provided in the rules of civil procedure.

Subd. 4. In Minnesota Statutes, Sections 518.001 to 518.66, "decree" includes "judgment".

Sec. 18. Minnesota Statutes 1976, Section 518.01, is amended to read:

518.01 [VOID MARRIAGES.] *All marriages which are prohibited by law on account of consanguinity, or on account of either or both parties being under the age established for marriage by section 517.08, or on account of either party having a former husband or wife then living, if solemnized within this state, section 517.03 shall be absolutely void, without any decree of dissolution or other legal proceedings; provided, that except if any a person whose husband or wife has been absent for four successive years, without being known to such a person to be living during that time, marries during the lifetime of such the absent husband or wife, the marriage shall be void only from the time that its nullity is duly adjudged. If the absentee is declared*

dead in accordance with section 576.142, the subsequent marriage shall not be void.

Sec. 19. Minnesota Statutes 1976, Section 518.02, is amended to read:

518.02 [VOIDABLE MARRIAGES.] *When either party to a marriage is incapable of assenting thereto for want of age or understanding, or when the consent of either has been obtained by force or fraud, and there is no subsequent voluntary cohabitation of the parties, the marriage may be annulled at the suit of the injured party, and shall be void from the time its nullity is adjudged. A marriage shall be declared a nullity under the following circumstances:*

(a) a party lacked capacity to consent to the marriage at the time the marriage was solemnized, either because of mental incapacity or infirmity and the other party at the time of the marriage was solemnized did not know of the incapacity; or because of the influence of alcohol, drugs, or other incapacitating substances; or because consent of either was obtained by force or fraud and there was no subsequent voluntary cohabitation of the parties;

(b) a party lacks the physical capacity to consummate the marriage by sexual intercourse and the other party at the time the marriage was solemnized did not know of the incapacity;

(c) a party was under the age of 16 years or was aged 16 or 17 years and did not have the consent of his parents or guardian and judicial approval to marry.

Sec. 20. Minnesota Statutes 1976, Section 518.03, is amended to read:

518.03 [ACTION TO ANNUL; DECREE.] *When the validity of a marriage is disputed for any of the causes mentioned in section 518.01 or 518.02, either party may begin an action in the district court of the county where either resides, to annul the same. In such action a proceeding for annulment shall be commenced and the complaint shall be filed and proceedings had thereon as in proceedings for dissolution. and, Upon due proof of the nullity of the marriage, it shall be adjudged null and void.*

The provisions of Minnesota Statutes, Sections 518.54 to 518.66 relating to property rights of the spouses, maintenance, support and custody of children on dissolution of marriage are applicable to proceedings for annulment.

Sec. 21. Minnesota Statutes 1976, Section 518.05, is amended to read:

518.05 [ANNULMENT; WHEN TO BRING.] *No marriage shall be adjudged a nullity at the suit of the party capable of contracting, on the ground that the other party was under the age of legal consent, or was idiotic or insane, if such idiocy or insanity was known to the party capable of contracting at the time of such marriage. An annulment may be sought by any*

of the following persons and must be commenced within the times specified, but in no event may an annulment be sought after the death of either party to the marriage:

(a) for a reason set forth in section 19, clause (a), by either party or by the legal representative of the party who lacked capacity to consent, no later than 90 days after the petitioner obtained knowledge of the described condition;

(b) for the reason set forth in section 19, clause (b), by either party no later than one year after the petitioner obtained knowledge of the described condition;

(c) for the reason set forth in section 19, clause (c), by the underaged party, his parent or guardian, before the time the underaged party reaches the age at which he could have married without satisfying the omitted requirement.

Sec. 22. Minnesota Statutes 1976, Chapter 518, is amended by adding a section to read:

[518.055] [PUTATIVE SPOUSE.] Any person who has cohabitated with another to whom he is not legally married in the good faith belief that he was married to that person is a putative spouse until knowledge of the fact that he is not legally married terminates his status and prevents acquisition of further rights. A putative spouse acquires the rights conferred upon a legal spouse, including the right to maintenance following termination of his status, whether or not the marriage is prohibited or declared a nullity. If there is a legal spouse or other putative spouses, rights acquired by a putative spouse do not supersede the rights of the legal spouse or those acquired by other putative spouses, but the court shall apportion property, maintenance, and support rights among the claimants as appropriate in the circumstances and in the interests of justice.

Sec. 23. Minnesota Statutes 1976, Section 518.06, Subdivision 1, is amended to read:

518.06 [DISSOLUTION OF MARRIAGE; LEGAL SEPARATION.] Subdivision 1. A dissolution of a marriage may be granted by a county or district court of competent jurisdiction upon a showing to the satisfaction of: (a) when the court finds that there has been an irretrievable breakdown of the marriage relationship; and (b) to the extent it has jurisdiction to do so, when the court has considered, approved, or made provision for child custody, the support of any child of the marriage who is entitled to support, the maintenance of either spouse, and the disposition of property.

Previously existing defenses to divorce, dissolution and legal separation, including but not limited to condonation, connivance, collusion, recrimination, insanity, and lapse of time, are abolished.

Sec. 24. Minnesota Statutes 1976, Section 518.06, is amended by adding a subdivision to read:

Subd. 3. If a party requests a decree of legal separation rather

than a decree of dissolution of marriage, the court shall grant the decree in that form unless the other party objects.

Sec. 25. Minnesota Statutes 1976, Section 518.07, is amended to read:

518.07 [RESIDENCE OF PARTIES.] No dissolution shall be granted unless (1) ~~the petitioner~~ *one of the parties* has resided in this state ~~one year~~, *or has been a member of the armed services stationed in this state, for 180 days immediately preceding the filing of the petition commencement of the proceeding;* or (2) *one of the parties has been a domiciliary of this state for not less than 180 days preceding commencement of the proceeding.*

Sec. 26. Minnesota Statutes 1976, Section 518.09, is amended to read:

518.09 [PROCEEDING; HOW AND WHERE BROUGHT; VENUE.] A proceeding for dissolution or ~~separate maintenance legal separation~~ may be brought by a ~~petitioner~~ *either or both spouses and all such proceedings shall be commenced by summons and petition in the county where the petitioner resides, as hereinafter provided, or, if the petitioner is not a resident of the state, then in the county where the respondent resides. This venue shall be subject to the power of the court to change the place of hearing by consent of the parties, or when it shall appear appears to the court that an impartial hearing cannot be had in the county where the proceedings are pending, or when the convenience of the parties or the ends of justice would be promoted by the change.*

Sec. 27. Minnesota Statutes 1976, Section 518.10, is amended to read:

518.10 [REQUISITES OF PETITION.] The petition for dissolution of marriage *or legal separation shall:*

(1) State the name and address of the petitioner and his attorney *and the length of petitioner's residence in this state;*

(2) State the place and date of marriage of the parties;

(3) State the name and address, if known, of the respondent *and the length of residence in this state;*

(4) State the name and age of each ~~minor~~ child by date of birth ~~whose welfare may be affected by the controversy~~, *whether any child is under the jurisdiction of a juvenile court, and whether the wife is pregnant;*

(5) State whether or not a separate proceeding for dissolution of marriage has been commenced by the respondent and whether such proceeding is pending in any court in this state or elsewhere;

(6) Allege that the ~~petition~~ *proceeding* has been filed *commenced* in good faith and for the purposes set forth therein;

(7) Allege that there has been an ~~irretrievable~~ *breakdown of the marriage relationship, and in a proceeding for legal separation, allege the need for legal separation;*

(8) *State the date on which the parties separated;*

(9) *Set forth any arrangements between the parties as to the custody and support of the children and the maintenance of a spouse;*

~~(8)~~ (10) *Set forth any application for temporary support of the petitioner a spouse and any children; and*

~~(9)~~ (11) *Set forth any application for permanent alimony maintenance or support, child custody, or disposition of property, as well as attorneys' fees and suit money, without enumerating the amounts thereof ; and*

~~(10)~~ *State that the petitioner has been for the last year a resident of the state .*

The petition shall be verified by the petitioner, and its allegations established by competent evidence.

Sec. 28. Minnesota Statutes 1976, Section 518.11, is amended to read:

518.11 [SERVICE; PUBLICATION.] *If a proceeding is brought by one of the parties, copies of the summons and petition shall be served on the respondent personally ; and, . When such service is made out of this state and within the United States, it may be proved by the affidavit of the person making the same ; and . When service is made without the United States it may be proved by the affidavit of the person making the same, taken before and certified by any United States minister, charge d'affaires, commissioner, consul or commercial agent, or other consular or diplomatic officer of the United States appointed to reside in such country, including all deputies or other representatives of such officer authorized to perform their duties; or before an officer authorized to administer an oath with the certificate of an officer of a court of record of the country wherein such affidavit is taken as to the identity and authority of the officer taking the same ; . But, if personal service cannot well be made, the court may order service of the summons by publication, which publication shall be made as in other actions.*

Sec. 29. Minnesota Statutes 1976, Section 518.13, is amended to read:

518.13 [FAILURE TO ANSWER; FINDINGS; HEARING.] *Subdivision 1. If the respondent does not appear after service duly made and proved, the court may hear and determine the proceeding at a general or special term, or in vacation ; provided, that .*

Subd. 2. If both of the parties by petition or otherwise have stated under oath or affirmation that the marriage is irretrievably broken, or one of the parties has so stated and the other has not denied it, the court, after hearing, shall make a finding whether the marriage is irretrievably broken.

Subd. 3. If one of the parties has denied under oath or affirmation that the marriage is irretrievably broken, the court shall con-

sider all relevant factors, including the circumstances that gave rise to the commencement of the proceeding and the prospect of reconciliation, and shall

(a) make a finding whether the marriage is irretrievably broken, or

(b) continue the matter for further hearing not less than 30 or more than 60 days later, or as soon thereafter as the matter may be reached on the court's calendar and may suggest to the parties that they seek counseling. At the adjourned hearing, or after a further continuance ordered by the court, the court shall make a finding whether the marriage is irretrievably broken.

A finding of irretrievable breakdown is a determination that there is no reasonable prospect of reconciliation. The finding must be supported by evidence that (i) the parties have lived separate and apart for a period of more than 180 days immediately preceding the commencement of the proceeding, or (ii) there is serious marital discord adversely affecting the attitude of one or both of the parties toward the marriage.

Subd. 4. The court or judge, upon application, may refer the proceeding to a referee to take and report the evidence therein. Hearings for dissolution of marriage shall be heard in open court or before a referee appointed by the court to receive the testimony of the witnesses, or depositions taken as in other equitable actions. However, the court may in its discretion close the hearing. Hearings held for the purpose of determining child custody may be limited in attendance by the court to the affected parties and necessary witnesses if any.

Sec. 30. Minnesota Statutes 1976, Chapter 518, is amended by adding a section to read:

[518.135] [TEMPORARY ORDER OR INJUNCTION; PENALTY.] Subdivision 1. In a proceeding brought for dissolution or legal separation or for disposition of property, maintenance, or support following the dissolution of a marriage by a court which lacked personal jurisdiction over the absent spouse, either party may move for temporary maintenance or temporary support of children of the marriage entitled to support or for a temporary order relative to property of the parties. The motion shall be accompanied by an affidavit setting forth the factual basis for the motion and the amounts requested.

Subd. 2. (a) As a part of a motion for temporary maintenance or support or by independent motion accompanied by affidavit either party may request the court to issue a restraining order:

(i) restraining a person from transferring, encumbering, concealing, or disposing of property except in the usual course of business or for the necessities of life, and, if so restrained, requiring him to notify the moving party of proposed extraordinary expenditures and to account to the court for all extraordinary expenditures made after the order is issued;

(ii) *restraining a party from molesting or disturbing the peace or restraining the personal liberty of the other party or of a child;*

(iii) *excluding a party from the family home or from the home of the other party upon a showing that physical or emotional harm would otherwise result. A party may be excluded from the family home only upon due notice and hearing. If a party makes specific allegations of an immediate danger of physical harm, the court shall waive the requirement of notice and shall hold a hearing on the request for a restraining order at the earliest possible time.*

(b) *The court may issue an ex parte restraining order only if it finds on the basis of the moving affidavit or other evidence that immediate and irreparable injury would result to the moving party if an order is not issued before the adverse party can be heard in opposition and the moving party states to the court in writing the efforts that have been made to give notice or the reasons why notice should not be required.*

(c) *A response may be filed within 20 days after service of notice of motion or at the time specified in the ex parte restraining order.*

(d) *On the basis of the showing made and in conformity with section 52 on maintenance and section 40, subdivision 2 on support the court may issue a restraining order and an order for temporary maintenance or support in such amounts and on such terms as are just and proper in the circumstances.*

(e) *A temporary order or restraining order:*

(i) *shall not prejudice the rights of the parties or the child which are to be adjudicated at subsequent hearings in the proceeding;*

(ii) *may be revoked or modified before the final decree on notice to the other party and on a showing by affidavit of the facts which support the necessity for revocation or modification; and*

(iii) *terminates when the final judgment is entered or when the petition for dissolution or legal separation is voluntarily dismissed.*

Subd. 3. A person who violates an order issued pursuant to subdivision 2, clause (a), item (ii) or (iii) is guilty of a misdemeanor.

Sec. 31. Minnesota Statutes 1976, Section 518.14, is amended to read:

518.14 [COSTS AND DISBURSEMENTS AND ATTORNEY'S FEES.] *In any a proceeding brought either for dissolution or separate maintenance legal separation under chapter 518 , the court, in its discretion from time to time, after considering the financial resources of both parties , may require one party to pay a reasonable amount ; necessary to enable the other spouse to carry on, or to contest the proceeding, and to support such spouse and the children during its pendency to pay attorney's fees, including sums for legal services rendered and*

costs incurred prior to the commencement or after entry of judgment . The court may adjudge costs and disbursements against either party. The court may authorize the collection of any money so awarded by execution, or out of any property sequestered, or in any other manner within the power of the court. An award of attorney's fees made by the court during the pendency of the proceeding or in the final judgment survives the proceeding and if not paid by the party directed to pay the same may be enforced as above provided or by a separate civil action brought by the attorney in his own name. If the proceeding is dismissed or abandoned prior to determination and award of attorney's fees , the court may nevertheless award attorney's fees upon the attorney's motion and such . The award shall also survive the proceeding and may be enforced in the same manner as last above provided.

Sec. 32. Minnesota Statutes 1976, Chapter 518, is amended by adding a section to read:

[518.145] [DECREE.] A decree of dissolution of marriage or of legal separation is final when entered, subject to the right of appeal. An appeal from the decree of dissolution that does not challenge the finding that the marriage is irretrievably broken does not delay the finality of that provision of the decree which dissolves the marriage beyond the time for appealing from that provision. A party may remarry before the time for appeal has run if it is not contested that the marriage is irretrievably broken.

No earlier than six months after entry of a decree of legal separation, on motion of either party to dissolve the marriage, the court shall proceed as provided in section 518.13.

Sec. 33. Minnesota Statutes, 1977 Supplement, Section 518.155, is amended to read:

518.155 [CUSTODY DETERMINATIONS.] Notwithstanding any law to the contrary, a court in which a proceeding for dissolution or legal separation has been ~~or~~ may be commenced shall not issue, revise, modify or amend any order, pursuant to sections 518.16, 518.165, 518.17, 518.175 or 518.18 or sections 39 or 45 of this act , which affects the custody of a minor child or the visitation rights of a noncustodial parent unless the court has jurisdiction over the matter pursuant to the provisions of sections 518A.01 to 518A.25.

Sec. 34. Minnesota Statutes 1976, Chapter 518, is amended by adding a section to read:

[518.156] [COMMENCEMENT OF CUSTODY PROCEEDING.] *Subdivision 1. In a court of this state which has jurisdiction to decide child custody matters, a child custody proceeding is commenced:*

(a) by a parent

(1) by filing a petition for dissolution or legal separation; or

(2) where a decree of dissolution has been entered or where

none is sought, by filing a petition seeking custody of the child in the county where the child is permanently resident or where he is found; or

(b) by a person other than a parent, by filing a petition seeking custody of the child in the county where the child is permanently resident or where he is found.

Subd. 2. Notice of a child custody proceeding shall be given to the child's parent, guardian and custodian, who may appear and be heard and may file a responsive pleading. The court may, upon a showing of good cause, permit the intervention of other interested parties.

Sec. 35. Minnesota Statutes 1976, Section 518.16, is amended to read:

518.16 [CUSTODY OF CHILDREN DURING PENDENCY.] The court, on the application motion of either party, may make such an order concerning the care and custody of the minor children of the parties, and their suitable maintenance, during the pendency of such a proceeding, and such temporary orders relative to the persons or property of the parties, as shall be deemed necessary and proper. *The motion must be supported by an affidavit. The court may award temporary custody after a hearing, or, if there is no objection, solely on the basis of the affidavits.*

If a proceeding for dissolution of marriage or legal separation is dismissed, a temporary custody order is vacated unless a parent or the child's custodian moves that the proceeding continue as a custody proceeding and the court finds, after a hearing, that the circumstances of the parents and the best interests of the child require that a custody order be issued.

Sec. 36. Minnesota Statutes 1976, Section 518.165, is amended to read:

518.165 [GUARDIANS FOR MINOR CHILDREN.] In all actions proceedings for divorce dissolution or separate maintenance legal separation in which custody or visitation of a minor child is in issue, the court may appoint a guardian ad litem from a panel established by the court to represent the interests of any such the child. The guardian ad litem shall advise the court with respect to custody, support and visitation. *The court may assess costs incident hereto against either or both parties. The court shall enter an order for costs, fees and disbursements in favor of the child's guardian ad litem. The order shall be made against either or both parties, except that, if the responsible party is indigent, the costs, fees, and disbursements shall be borne by the county.*

Sec. 37. Minnesota Statutes 1976, Chapter 518, is amended by adding a section to read:

[518.166] [INTERVIEWS.] *The court may interview the child in chambers to ascertain the child's wishes as to his custodian. The court may permit counsel to be present at the interview. The court shall cause a record of the interview to be made and to be made part of the record in the case unless waived by the parties.*

The court may seek the recommendations of professional personnel whether or not they are employed on a regular basis by the court. The recommendations given shall be in writing and shall be made available by the court to counsel upon request. Counsel may call for cross-examination of professional personnel consulted by the court.

Sec. 38. Minnesota Statutes 1976, Chapter 518, is amended by adding a section to read:

[518.167] [INVESTIGATIONS AND REPORTS.] *Subdivision 1. In contested custody proceedings, and in other custody proceedings if a parent or the child's custodian so requests, the court may order an investigation and report concerning custodial arrangements for the child. The investigation and report may be made by the county welfare agency or department of court services.*

Subd. 2. In preparing his report concerning a child, the investigator may consult any person who may have information about the child and his potential custodial arrangements. Upon order of the court, the investigator may refer the child to professional personnel for diagnosis. The investigator may consult with and obtain information from medical, psychiatric, or other expert persons who have served the child in the past after obtaining the consent of the parents or the child's custodian or guardian. If the requirements of subdivision 3 are fulfilled, the investigator's report may be received in evidence at the hearing.

Subd. 3. The court shall mail the investigator's report to counsel and to any party not represented by counsel at least ten days before the hearing. The investigator shall make available to counsel and to a party not represented by counsel the investigator's file of underlying data and reports, complete texts of diagnostic reports made to the investigator pursuant to the provisions of subdivision 2, and the names and addresses of all persons whom the investigator has consulted. A party to the proceeding may call the investigator and any person whom he has consulted for cross-examination. A party may not waive his right of cross-examination before the hearing.

Sec. 39. Minnesota Statutes 1976, Chapter 518, is amended by adding a section to read:

[518.168] [HEARINGS.] *(a) Custody proceedings shall receive priority in being set for hearing.*

(b) The court may tax as costs the payment of necessary travel and other expenses incurred by a person whose presence at the hearing the court deems necessary to determine the best interests of the child.

(c) The court without a jury shall determine questions of law and fact. If it finds that a public hearing may be detrimental to the child's best interest, the court may exclude the public from a custody hearing, but may admit any person who has a direct

interest in the particular case or a legitimate educational or research interest in the work of the court.

(d) If the court finds it necessary for the protection of the child's welfare that the record of an interview, report, investigation, or testimony in a custody proceeding be kept secret, the court may make an appropriate order sealing the record.

Sec. 40. Minnesota Statutes 1976, Section 518.17, is amended to read:

518.17 [CUSTODY AND SUPPORT OF CHILDREN ON JUDGMENT.] Subdivision 1. For the purposes of this section "The best interest of the children child" means the sum total of the following all relevant factors to be considered and evaluated by the court including :

(a) The love, affection and other emotional ties existing between the competing parties and the child;

(b) The capacity and disposition of competing parties to give the child love, affection and guidance and continuation of the educating and raising of the child in its religion or creed, if any, or culture;

(c) The capacity and disposition of competing parties to provide the child with food, clothing, medical care or other remedial care recognized and permitted under the laws of this state in lieu of medical care, and other material needs;

(d) The length of time the child has lived in a stable satisfactory environment and the desirability of maintaining continuity;

(e) The permanency, as a family unit, of the existing or proposed custodial home;

(f) The cultural background of the child;

(g) The mental and physical health of the competing parties;

(h) The home, school and community record of the child;

(i) The reasonable preference of the child, if the court deems the child to be of sufficient age to express preference;

(j) Any other factor considered by the court to be relevant to a particular child custody dispute.

(a) the wishes of the child's parent or parents as to his custody;

(b) the reasonable preference of the child, if the court deems the child to be of sufficient age to express preference;

(c) the interaction and interrelationship of the child with his parent or parents, his siblings, and any other person who may significantly affect the child's best interests;

(d) the child's adjustment to his home, school, and community;

(e) the length of time the child has lived in a stable, satisfactory environment and the desirability of maintaining continuity;

(f) *the permanence, as a family unit, of the existing or proposed custodial home; and*

(g) *the mental and physical health of all individuals involved.*

The court shall not consider conduct of a proposed custodian that does not affect his relationship to the child.

Subd. 2. Upon adjudging the nullity of a marriage, or a dissolution or separation, the court may make such further order as it deems just and proper concerning the care, custody, and maintenance of the minor children of the parties and may determine with which of the parents they, or any of them, shall remain. In determining the parent with whom a child shall remain, the court shall consider the best interest of the ~~children~~ *child* and shall not prefer one parent over the other solely on the basis of the sex of the parent. ~~In determining the amount of child support to be paid by each parent, the court shall consider the earning capacity and financial circumstances of each parent. On petition for any change in child support because of alleged change in circumstances the court shall take into consideration the earning capacity and financial circumstances of each parent and the custodial parent's spouse, if any. The court may order either or both parents owing a duty of support to a child of the marriage to pay an amount reasonable or necessary for his support, without regard to marital misconduct, after considering all relevant factors including:~~

- (a) *the financial resources and needs of the child;*
- (b) *the financial resources and needs of the custodial parent;*
- (c) *the standard of living the child would have enjoyed had the marriage not been dissolved;*
- (d) *the physical and emotional condition of the child, and his educational needs; and*
- (e) *the financial resources and needs of the noncustodial parent.*

Sec. 41. Minnesota Statutes 1976, Section 518.175, Subdivision 1, is amended to read:

518.175 [VISITATION OF CHILDREN AND NONCUSTODIAL PARENT.] Subdivision 1. In all proceedings for dissolution, subsequent to the commencement of the proceeding and continuing thereafter during the minority of the child, the court may *shall*, upon the request of the noncustodial parent, grant such rights of visitation as will enable the child and the noncustodial parent to maintain ~~such a~~ *child to parent relationship as that will be beneficial to the child unless the court finds, after a hearing, that visitation would endanger the child's physical or emotional health or impair his emotional development*. The court shall consider the age of the child and the child's relationship with the noncustodial parent prior to the commencement of the proceeding. ~~The court may deny visitation rights to the noncustodial parent if such visitation is not in the best interest of the child. A parent's failure to pay support because of the parent's inability to do so shall not be sufficient cause for denial of visitation; unless such inability is willful.~~

Sec. 42. Minnesota Statutes 1976, Section 518.175, Subdivision 3, is amended to read:

Subd. 3. The custodial parent shall not move the residence of the child to another state or more than 100 miles within this state except upon order of the court or with the consent of the non-custodial parent, when the noncustodial parent has been given visitation rights by the decree.

Sec. 43. Minnesota Statutes 1976, Section 518.175, is amended by adding a subdivision to read:

Subd. 5. *The court may modify an order granting or denying visitation rights whenever modification would serve the best interest of the child, but the court shall not restrict a parent's visitation rights unless it finds that the visitation would endanger the child's physical or emotional health or impair his emotional development. If the custodial parent makes specific allegations that visitation endangers the custodial parent's physical health, the court shall hold a hearing at the earliest possible time to determine the need to modify the order granting visitation rights. The court may require a third party, including the county welfare board, to supervise the visitation or may restrict a parent's visitation rights if necessary to protect the custodial parent from harm.*

Sec. 44. Minnesota Statutes 1976, Chapter 518, is amended by adding a section to read:

[518.176] [JUDICIAL SUPERVISION.] *(a) Except as otherwise agreed by the parties in writing at the time of the custody order, the custodian may determine the child's upbringing, including his education, health care, and religious training, unless the court after hearing, finds, upon motion by the noncustodial parent, that in the absence of a specific limitation of the custodian's authority, the child's physical or emotional health would be endangered or his emotional development impaired.*

(b) If both parents or all contestants agree to the order, or if the court finds that in the absence of the order the child's physical or emotional health would be endangered or his emotional development impaired, the court may order the county welfare board to exercise continuing supervision over the case to assure that the custodial or visitation terms of the decree are carried out.

Sec. 45. Minnesota Statutes 1976, Section 518.18, is amended to read:

518.18 [MODIFICATION OF ORDER.] *The court may afterward, from time to time, on the petition of either parent, revise and alter such order concerning the care, custody, and maintenance of the children, or any of them, and make such new order concerning them, as the circumstances of the parents and the benefit of the children shall require. (a) No motion to modify a custody decree may be made earlier than one year after the date of the initial decree except in accordance with clause (c).*

(b) If a motion for modification has been filed, whether or not it was granted, no subsequent motion may be filed within two years after disposition of the prior motion except in accordance with clause (c).

(c) *The time limitations prescribed in clauses (a) and (b) shall not prohibit a motion to modify a custody decree if the court decides on the basis of affidavits submitted pursuant to section 46, that there is persistent and wilful denial or interference with visitation or reason to believe that the child's present environment may endanger his physical or emotional health or impair his emotional development.*

(d) *If the court has jurisdiction to determine child custody matters, the court shall not modify a prior custody decree unless it finds, upon the basis of facts that have arisen since the prior decree or that were unknown to the court at the time of the prior decree, that a change has occurred in the circumstances of the child or his custodian and that the modification is necessary to serve the best interests of the child. In applying these standards the court shall retain the custodian established by the prior decree unless:*

(i) *the custodian agrees to the modification;*

(ii) *the child has been integrated into the family of the petitioner with the consent of the custodian; or*

(iii) *the child's present environment endangers his physical or emotional health or impairs his emotional development and the harm likely to be caused by a change of environment is outweighed by the advantage of a change to the child.*

Sec. 46. Minnesota Statutes 1976, Chapter 518, is amended by adding a section to read:

[518.185] [AFFIDAVIT PRACTICE.] *A party seeking a temporary custody order or modification of a custody order shall submit together with his moving papers an affidavit setting forth facts supporting the requested order or modification and shall give notice, together with a copy of his affidavit, to other parties to the proceeding, who may file opposing affidavits. The court shall deny the motion unless it finds that adequate cause for hearing the motion is established by the affidavits, in which case it shall set a date for hearing on an order to show cause why the requested order or modification should not be granted.*

Sec. 47. Minnesota Statutes 1976, Section 518.24, is amended to read:

518.24 [SECURITY; SEQUESTRATION; CONTEMPT.] *In all cases when alimony or other allowance is maintenance or support payments are ordered or decreed, the court may require sufficient security to be given for the payment thereof, of it according to the terms of the order or decree ; and, upon neglect or refusal to give such security, or upon failure to pay such alimony or allowance the maintenance or support , the court may sequester the obligor's personal estate ; and the rents and profits of real estate of the obligor, and appoint a receiver thereof, and of them. The court may cause such the personal estate ; and the rents and profits of such the real estate, to be applied according to the terms of such the order or decree. If the obligor has an income from any a source sufficient to enable him to pay such alimony or other allowance, the maintenance or support and he fails and*

refuses to pay the same, the court may shall order him to pay such alimony or allowance the maintenance or support . If any a person or party shall disobey disobeys such the order, he may be punished by the court as for contempt.

Sec. 48. Minnesota Statutes 1976, Section 518.27, is amended to read:

518.27 [EFFECT OF DISSOLUTION; NAME OF PARTY.] When a decree of dissolution from the bonds of matrimony marriage is granted in this state, such the decree shall completely dissolve the marriage contract as to both parties. If a dissolution is granted, the court shall, if requested by the a party whose name was changed by the marriage, change the name of the a party who had acquired the name of his spouse back to that person's family name or the name acquired from a prior spouse, and that person shall thereafter be known by that family name and be so designated in the court's decree.

Sec. 49. Minnesota Statutes 1976, Section 518.54, is amended to read:

518.54 [DEFINITIONS.] Subdivision 1. [TERMS.] For the purposes of sections 518.54 to 518.66, the terms defined in this section shall have the meanings respectively ascribed to them.

Subd. 2. [CHILD.] "Child" means an individual under 18 years of age , or an individual who, by reason of his physical or mental condition, is unable to support himself.

Subd. 3. [MAINTENANCE.] " Alimony Maintenance " means an award made in a dissolution or legal separation proceeding of payments from the future income or earnings of one spouse for the support and maintenance of the other.

Subd. 4. [SUPPORT MONEY.] "Support money" means an award in a dissolution , legal separation, or annulment proceeding for the care, support and education of any child of the marriage or of the parties to the annulment proceeding.

Subd. 5. [MARITAL PROPERTY; EXCEPTIONS.] Except as provided in this subdivision, "property acquired during coverture" "Marital property" means any property, real or personal, including nonforfeitable pension benefits or rights, acquired by the parties, or either of them, to a dissolution , legal separation, or annulment proceeding at any time during the existence of the marriage relation between them, or at any time during which the parties were living together as husband and wife under a purported marriage relationship which is annulled in an annulment proceedings proceeding . All property acquired by either spouse subsequent to the marriage and before a decree of legal separation is presumed to be marital property regardless of whether title is held individually or by the spouses in a form of co-ownership such as joint tenancy, tenancy in common, tenancy by the entirety, or community property. The presumption of marital property is overcome by a showing that the property is of a type listed in clauses (a) to (f) .

" *Property acquired during coverture Marital property* " does not include any property real or personal, acquired by either spouse before, during, or after coverture, where said property the existence of their marriage, which (a) is acquired as a gift, bequest, devise or inheritance made by a third party to one but not to the other spouse; (b) is acquired in exchange for property acquired before the marriage or in exchange for property acquired by gift, bequest, devise, or inheritance; (c) is the increase in value of property acquired before the marriage; (d) is acquired by a spouse after a decree of legal separation; (e) is any property transferred from one spouse to the other; or (f) valid antenuptial contract or any property transferred from one spouse to the other .

Sec. 50. Minnesota Statutes 1976, Section 518.55, is amended to read:

518.55 [MAINTENANCE OR SUPPORT MONEY.] Every award of alimony maintenance or support money in a judgment of dissolution shall clearly designate whether the same is alimony maintenance or support money, or what part of the award is alimony maintenance and what part thereof is support money. Any An award of payments from future income or earnings of the custodial parent shall be is presumed to be alimony maintenance and any an award of payments from the future income or earnings of the noncustodial parent shall be is presumed to be support money , unless otherwise designated by the court. In any a judgment of dissolution the court may determine, as one of the issues of the case, whether or not either spouse is entitled to an award of alimony maintenance notwithstanding that no award is then made, or it may reserve jurisdiction of the issue of alimony maintenance for determination at a later date.

Sec. 51. Minnesota Statutes, 1977 Supplement, Section 518.551, is amended to read:

518.551 [MAINTENANCE AND SUPPORT PAYMENTS MADE TO WELFARE AGENCIES.] Notwithstanding any law to the contrary, any A court having jurisdiction over proceedings for dissolution shall direct that all payments ordered for alimony maintenance and support shall be made to the agency responsible for the welfare payments, when it appears that the party who is to receive the alimony maintenance and support payments will receive public assistance. Amounts so received by the board over and above agency greater than the amount granted to the party receiving public assistance shall be remitted to that party.

The petitioner shall notify the agency responsible for the welfare payments shall be notified by the petitioner of all proceedings for dissolution, separate maintenance legal separation or for the custody of a child if either party is receiving aid to families of dependent children or applies for such aid subsequent to the commencement of such the proceeding. After receipt of the notice, the county welfare board or the commissioner of public welfare agency shall recommend to the court the sum of money, or its equivalent, support that is proper and adequate for the care and support of

the child or children before the issuance of the order for judgment and decree in the proceeding.

If the court finds in a dissolution proceeding before issuing the order for judgment and decree that notification has not been given to the agency responsible for the welfare payments, the court shall order that notification be made and shall not issue its order for judgment and decree until the agency has made its recommendations. In those proceedings in which no notification has been made pursuant to this section and *in which* the agency determines that the judgment is not proper and adequate for the care and support of the child or children, it may petition the court for a redetermination of the support payments ordered.

Sec. 52. Minnesota Statutes 1976, Chapter 518, is amended by adding a section to read:

[518.552] [MAINTENANCE.] *Subdivision 1. In a proceeding for dissolution of marriage or legal separation, or a proceeding for maintenance following dissolution of the marriage by a court which lacked personal jurisdiction over the absent spouse, the court may grant a maintenance order for either spouse only if it finds that the spouse seeking maintenance:*

(a) *lacks sufficient property, including marital property apportioned to him, to provide for his reasonable needs, especially during a period of training or education, and*

(b) *is unable to support himself through appropriate employment or is the custodian of a child whose condition or circumstances make it appropriate that the custodian not be required to seek employment outside the home.*

Subd. 2. The maintenance order shall be in amounts and for periods of time as the court deems just, without regard to marital misconduct, and after considering all relevant factors including:

(a) *the financial resources of the party seeking maintenance, including marital property apportioned to him, and his ability to meet his needs independently, including the extent to which a provision for support of a child living with the party includes a sum for that party as custodian;*

(b) *the time necessary to acquire sufficient education or training to enable the party seeking maintenance to find appropriate employment;*

(c) *the standard of living established during the marriage;*

(d) *the duration of the marriage;*

(e) *the age, and the physical and emotional condition of the spouse seeking maintenance; and*

(f) *the ability of the spouse from whom maintenance is sought to meet his needs while meeting those of the spouse seeking maintenance.*

Sec. 53. Minnesota Statutes 1976, Section 518.57, is amended to read:

518.57 [MINOR CHILDREN, SUPPORT.] Upon a decree of dissolution, *legal separation* or annulment, the court may make *such a further order as it deems which is just and proper concerning the maintenance of the minor children as is provided by section 518.17, and for the maintenance of any child of the parties as defined in this act*, as support money, and may make the same a lien or charge upon the property of the parties to *such the proceeding, or either of them, either at the time of the entry of such the judgment or by subsequent order upon proper application therefor.*

Sec. 54. Minnesota Statutes 1976, Section 518.58, is amended to read:

518.58 [DISPOSITION OF MARITAL PROPERTY.] Upon a dissolution of a marriage, ~~or upon an annulment, a legal separation, or a proceeding for disposition of property following a dissolution of marriage by a court which lacked personal jurisdiction over the absent spouse or lacked jurisdiction to dispose of the property,~~ the court ~~may~~ shall set aside to each spouse his property and make ~~such a just and equitable~~ disposition of the marital property of the parties acquired during ~~coverture as shall appear just and equitable having without regard to nature and determination of the issues in the case, the amount of alimony or support money, if any, awarded in the judgment, the manner by which said property was acquired and the persons paying or supplying the consideration therefor, the charges or liens imposed thereon to secure payment of alimony or support money, and all the facts and circumstances of the case, marital misconduct, after making findings regarding the disposition of the property.~~ The court shall base its findings on all relevant factors including the length of the marriage, any prior marriage of a party, the age, health, station, occupation, amount and sources of income, vocational skills, employability, estate, liabilities, needs, and opportunity for future acquisition of capital assets and income of each party, whether the property award is in lieu of or in addition to maintenance or support. The court shall also consider the contribution or dissipation of each in the acquisition, preservation, depreciation or appreciation in value of the respective estates, as well as the contribution of a spouse as a homemaker. It shall be presumed that each spouse made a substantial contribution to the acquisition of income and property while they were living together as husband and wife.

If the court finds that either spouse's resources or property, including his portion of the marital property as defined in section 49, subdivision 5 are so inadequate as to work an extreme hardship, the court may, in addition to the marital property, apportion up to one-half of the property otherwise excluded under section 49, subdivision 5, clauses (a) to (f) to prevent the hardship. If the court apportions property other than marital property, it shall make findings in support of the apportionment. The findings shall be based on all relevant factors including the length of the marriage, any prior marriage of a party, the age, health, station, occupation, amount and sources of income, vocational skills, employability, estate, liabilities, needs, and opportunity for future acquisition of capital assets and income of each party.

Sec. 55. Minnesota Statutes 1976, Section 518.61, is amended to read:

518.61 [TRUSTEE.] (a) *Upon its own motion or upon motion of either party, the court may appoint ~~trustees~~ a trustee, when it is deemed expedient, to receive any money ordered to be paid as ~~alimony~~ maintenance or support money, ~~or as for remittance to the person entitled to receive the payments.~~ The trustee may also receive property which is part of an award under ~~sections section 518.58 or 518.59~~, upon trust to invest the same, and pay over the income in ~~such the manner as the court shall direct directs~~, or to pay over the principal sum in ~~such the proportions and at such the times as the court shall order, regard being had orders.~~ The court shall have regard in all ~~such~~ cases to the situation and circumstances of the recipient, and the children, if there are any, ~~and such trustees~~. The trustee shall give ~~such a bond, as the court shall require requires~~, for the faithful performance of ~~their his~~ trust. If it appears that the recipient of money ordered to be paid as support will receive public assistance, the court shall appoint as trustee the public authority responsible for support enforcement.*

(b) *The trustee shall maintain records listing the amount of payments, the date when payments are required to be made, and the names and addresses of the parties affected by the order.*

(c) *The parties affected by the order shall inform the trustee of a change of address or of other conditions that may affect the administration of the order.*

(d) *If a required payment of support or of maintenance and support combined is not made within ten days after the due date, the trustee shall send by first class mail notice of the arrearage to the obligor. If payment of the sum due is not made to the trustee within ten days after sending notice, the trustee shall certify the amount due to the public authority responsible for support enforcement, whenever that authority is not the trustee. If the public authority responsible for support enforcement refers the arrearage to the county attorney, the county attorney shall promptly initiate enforcement proceedings for support or for maintenance and support combined against the obligor.*

(e) *The public authority responsible for support enforcement shall represent a person entitled to receive support or maintenance and support combined in all court proceedings initiated under this section to enforce compliance with a support order or combined maintenance and support orders.*

(f) *If the person obligated to pay support is beyond the jurisdiction of the court, the county attorney shall institute any proceeding available under state or federal law for the enforcement of duties of support and maintenance.*

Sec. 56. Minnesota Statutes 1976, Chapter 518, is amended by adding a section to read:

[518.611] [ASSIGNMENTS.] *If the person obligated to pay*

support or maintenance fails to make a required payment, the other party or, in the case of a failure to pay support or support and maintenance combined, the public authority responsible for support enforcement may, after 30 days, move the court to order the employer or trustee to withhold from the obligor's periodic earnings or trust income an amount equal to the court's order for support or maintenance. The assignment is binding on the employer, trustee, or other payor of the funds two weeks after service upon him of notice that it has been made. The payor shall withhold from the earnings or trust income payable to the person obligated to pay support or maintenance the amount specified in the assignment and shall monthly or more frequently remit the amounts withheld to the public agency responsible for support enforcement. Amounts received by the public authority responsible for support enforcement which are in excess of public assistance expended for the party or for a child shall be remitted to the party. An employer shall not discharge or otherwise discipline an employee as a result of a wage or salary assignment authorized by this section.

Sec. 57. Minnesota Statutes 1976, Chapter 518, is amended by adding a section to read:

[518.612] [INDEPENDENCE OF PROVISIONS OF DECREE OR TEMPORARY ORDER.] *Failure by a party to make support payments is not a defense to: interference with visitation rights; or without the permission of the court or the noncustodial parent moving a child more than 100 miles within the state, or removing a child from this state without the permission of the court or of the noncustodial parent. Nor is interference with visitation rights or moving a child more than 100 miles within the state or taking a child from this state without permission of the court or the noncustodial parent a defense to nonpayment of support. If a party fails to make support payments, or interferes with visitation rights, or without permission of the court or the noncustodial parent removes a child from this state or moves a child more than 100 miles within the state, the other party may petition the court for an appropriate order.*

Sec. 58. Minnesota Statutes 1976, Section 518.62, is amended to read:

518.62 [TEMPORARY MAINTENANCE.] *Temporary alimony may be awarded as provided in section 518.14, maintenance and temporary support money may be awarded as provided in section 518.16, for the support of any children of the parties, including children as defined in section 518.54; and 30. The court may also award to either party to the proceeding, having due regard to all the circumstances and the party awarded the custody of the children, the right to the exclusive use of the household goods and furniture of the parties pending the proceeding and the right to the use of the homestead of the parties, exclusive or otherwise, pending the proceeding; and . The court may order and direct either party to remove from the homestead of the parties upon proper application to the court for such an order pending the proceeding.*

Sec. 59. Minnesota Statutes 1976, Section 518.63, is amended to read:

518.63 [HOMESTEAD, OCCUPANCY.] The court, having due regard to all the circumstances and the custody of any children of the parties, may award to either party the right of occupancy of the homestead of the parties, exclusive or otherwise, upon a final decree of dissolution or *legal separation*, or proper modification thereof of it, for such a period of time as may be determined by the court, and such. An award of the right of occupancy of the homestead, whether exclusive or otherwise, may be in addition to the maximum amount which may be awarded under section 518.59 amounts awarded under sections 54, 55 and 56.

Sec. 60. Minnesota Statutes 1976, Section 518.64, is amended to read:

518.64 [MODIFICATION OF ORDERS OR DECREES.] *Subdivision 1.* After an order or decree for alimony maintenance or support money, temporary or permanent, or for the appointment of trustees to receive and hold any property awarded as alimony maintenance or support money, the court may from time to time, on petition of either of the parties revise and after such or on petition of the public authority responsible for support enforcement where the party entitled to support or maintenance receives or has applied for public assistance, modify the order or decree respecting the amount of such alimony, maintenance or support money, and the payment thereof of it, and also respecting the appropriation and payment of the principal and income of the property so held in trust, and may make any an order respecting these matters which it might have made in the original proceeding, except as herein otherwise provided.

Subd. 2. If the party entitled to maintenance or support receives public assistance, the public authority responsible for support enforcement shall periodically review the financial circumstances of the party obligated to pay support or maintenance, in order to determine whether modification is necessary. If the party entitled to maintenance or support applies for public assistance, the public authority responsible for support enforcement shall immediately review the obligor's financial circumstances in order to determine whether modification is necessary. To carry out this review, the public authority responsible for support enforcement may subpoena the obligor's financial records. If the obligor refuses to obey a subpoena, the refusal may at once be reported to the district court in the district where the obligor resides. The court shall enforce obedience to the subpoena in the manner provided by law for enforcing subpoenas of the court.

Subd. 3. Except as otherwise provided in section 52, subdivision 2, clause (f), the terms of a decree respecting maintenance or support may be modified only as to installments accruing subsequent to the motion for modification and only upon a showing of increased or decreased earnings of a party or increased or decreased need of a party, which makes the terms unreasonable and unfair. On a

motion for modification of support, the court shall take into consideration the needs of the children and the financial circumstances of the custodial parent's spouse, if any. Except for an award of the right of occupancy of the homestead, provided in section 59, all divisions of real and personal property provided by sections section 518.58 and 518.59 shall be final, and subject only to the power of may be revoked or modified only where the court finds the existence of conditions that justify reopening a judgment under the laws of this state. The court to may impose a lien or charge thereon on the divided property at any time while such the property, or subsequently acquired property, is owned by the parties or either of them, for the payment of alimony maintenance or support money, or to may sequester the property as is provided by section 518.24.

Subd. 4. Unless otherwise agreed in writing or expressly provided in the decree, the obligation to pay future maintenance is terminated upon the death of either party or the remarriage of the party receiving maintenance.

Subd. 5. Unless otherwise agreed in writing or expressly provided in the decree, provisions for the support of a child are terminated by emancipation of the child but not by the death of a parent obligated to support the child. When a parent obligated to pay support dies, the amount of support may be modified, revoked, or commuted to a lump sum payment, to the extent just and appropriate in the circumstances.

Sec. 61. Minnesota Statutes 1976, Section 518.65, is amended to read:

518.65 [PROPERTY; SALE, PARTITION.] In order to effect a division or award of property as is provided by sections section 518.58 and 518.59 , the court may order any such property sold or partitioned. Personal property may be ordered sold in such the manner as shall be directed by the court, and real estate may be partitioned in the manner provided by Minnesota Statutes 1949, Chapter 558 ; insofar as the same is applicable .

Sec 62. (a) Sections 1 to 64 apply to all proceedings commenced after February 28, 1979.

(b) Notwithstanding section 645.35, sections 1 to 64 apply to all pending actions and proceedings commenced prior to March 1, 1979 with respect to issues on which a judgment has not been entered. Pending actions for dissolution or separation are deemed to have been commenced on the basis of irretrievable breakdown. Evidence adduced after February 28, 1979 shall be in compliance with sections to 1 to 64.

(c) Notwithstanding section 645.35, sections 1 to 64 apply to all proceedings commenced after February 28, 1979 for the modification of a judgment or order entered prior to March 1, 1979.

(d) In any action or proceeding in which an appeal was pending or a new trial was ordered prior to March 1, 1979, the law in effect at the time of the order sustaining the appeal of the new trial

governs the appeal, the new trial, and any subsequent trial or appeal.

Sec. 63. [INSTRUCTIONS TO REVISOR.] *Whenever the term "alimony" appears in the next or subsequent editions of Minnesota Statutes, the revisor of statutes is directed to substitute "maintenance" or an equivalent term.*

Whenever the term "separate maintenance" appears in the next or subsequent editions of Minnesota Statutes, the revisor is directed to substitute "legal separation".

Sec. 64. [REPEALER.] *Minnesota Statutes 1976, Sections 517.17; 518.06, Subdivision 2; 518.15; 518.29; 518.59; and 518.67, are repealed.*

Sec. 65. [EFFECTIVE DATE.] *This act is effective March 1, 1979."*

Amend the title as follows:

Page 1, line 6, delete "requiring blood tests of applicants for a"

Page 1, line 7, delete "license to marry;"

Page 1, line 22, delete "517.17;"

Page 1, line 23, delete "518.001;"

Page 1, line 26, delete "518.12;"

Page 1, line 35, after "Sections" insert "517.17;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Coleman from the Subcommittee on Bill Scheduling, to which were referred S. F. Nos. 1277, 1689, 1642, 1095, 1013, 1577, 1464, 2188, 2184, 1849, 1706, 2000, 437, 1864, 1773, 2404 and H. F. Nos. 1661, 830, 2111, 2155, 2228, 37, 1973, 1605, 2192, 2080, 2225, 1822, 1403, 2332, 474, 2025, 600, 1416, 933, 1663, 1726, 1866, 2330, 1931, 1910, 2224, 2087, 774, 2429, 2279, 2278, 1009, 649, 523, 2049, 908, 2067, 1707 makes the following report:

That S. F. Nos. 1277, 1689, 1642, 1095, 1013, 1577, 1464, 1849, 1706, 2000, 437, 1864, 1773, 2404 and H. F. Nos. 1661, 830, 2111, 2155, 2228, 37, 1973, 1605, 2192, 2080, 2225, 1822, 1403, 2332, 474, 2025, 600, 1416, 933, 1663, 1726, 1866, 2330, 1931, 1910, 2224, 2087, 774, 2429, 2279, 2278, 1009, 649, 523, 2049, 908, 2067, 1707 be placed on the General Orders Calendar in the order indicated.

That S. F. Nos. 2184 and 2188 are being retained in the Subcommittee.

That there were no other bills before the Subcommittee on which floor action was requested. Report adopted.

SECOND READING OF SENATE BILLS

S. F. Nos. 2099, 2217, 2397, 2053 and 1826 were read the second

time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. Nos. 2273, 2377, 2197, 2196, 1823 and 2299 were read the second time.

H. F. Nos. 551, 1916, 2043, 1329, 2216, 1760, 1783, 1821 and 2102 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS

Mr. Davies moved that the name of Mr. Spear be added as co-author to S. F. No. 1826. The motion prevailed.

Mr. Merriam moved that S. F. No. 1835, No. 2 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Chmielewski moved that S. F. No. 1624, No. 4 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Penny moved that S. F. No. 1067, No. 9 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Davies moved that S. F. No. 1824, No. 18 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Strand moved that S. F. No. 2006, No. 59 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. McCutcheon moved that S. F. No. 2123, No. 61 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. McCutcheon moved that S. F. No. 2150, No. 62 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Hanson moved that S. F. No. 740, No. 74 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Hanson moved that S. F. No. 2159, No. 75 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Merriam moved that S. F. No. 2130, No. 76 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Strand moved that S. F. No. 2182, No. 78 on General

Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Schmitz moved that S. F. No. 1117, No. 81 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Dunn moved that S. F. No. 2186, No. 87 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Olhoft moved that S. F. No. 1697, No. 92 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Sikorski moved that S. F. No. 427, No. 95 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Chenoweth moved that S. F. No. 1442, No. 99 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Luther moved that S. F. No. 2152, No. 111 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Kleinbaum moved that S. F. No. 1948, No. 125 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Vega moved that S. F. No. 2076, No. 132 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Moe moved that S. F. No. 1663, No. 133 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Penny moved that S. F. No. 2355, No. 134 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Lewis moved that S. F. No. 507, No. 141 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Chmielewski moved that S. F. No. 1623, No. 147 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Hanson moved that S. F. No. 1427, No. 148 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Schaaf moved that S. F. No. 2275, No. 157 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Humphrey moved that S. F. No. 2033, No. 160 on General

Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Dieterich moved that S. F. No. 2272, No. 162 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Borden moved that S. F. No. 1478, No. 163 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Schmitz moved that S. F. No. 2230, No. 167 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Knoll moved that S. F. No. 1967, No. 22 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Wegener moved that S. F. No. 2101, No. 29 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Olson moved that S. F. No. 1193, No. 36 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Knoll moved that S. F. No. 2166, No. 39 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Schaaf moved that S. F. No. 1564, No. 48 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Chmielewski moved that S. F. No. 2192, No. 58 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mrs. Staples moved that S. F. No. 1441, No. 70 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mrs. Brataas moved that S. F. No. 2072, No. 71 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mrs. Brataas moved that S. F. No. 2073, No. 72 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Schmitz moved that S. F. No. 1345, No. 82 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Laufenburger moved that S. F. No. 2205, No. 93 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Keefe, J. moved that S. F. No. 1935, No. 98 on General Or-

ders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Gunderson moved that S. F. No. 2193, No. 105 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Dieterich moved that S. F. No. 1850, No. 107 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Peterson moved that S. F. No. 1772, No. 108 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Dieterich moved that S. F. No. 1871, No. 123 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Penny moved that S. F. No. 1273, No. 124 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Sikorski moved that S. F. No. 1644, No. 127 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Tennessen moved that S. F. No. 1770, No. 129 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Penny moved that S. F. No. 2356, No. 135 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Sikorski moved that S. F. No. 1026, No. 161 on General Orders, be stricken and re-referred to the Subcommittee on Bill Scheduling. The motion prevailed.

Mr. Johnson moved that his name be stricken as chief author to S. F. No. 2350 and the name of Mr. Solon be shown as chief author. The motion prevailed.

Mr. Moe moved that H. F. No. 2096, No. 6 on General Orders, be stricken and re-referred to the Committee on Finance. The motion prevailed.

RECESS

Mr. Coleman moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

APPOINTMENTS

Mr. Coleman from the Subcommittee on Committees recommends that the following Senators be and they hereby are appointed as a Conference Committee on:

H. F. No. 1885: Messrs. Merriam, Hughes, Dieterich, Dunn, and Anderson.

Mr. Coleman moved that the foregoing appointments be approved. The motion prevailed.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 1722 a Special Order to be heard immediately.

S. F. No. 1722: A bill for an act relating to education; providing educational aids for children attending nonpublic schools; appropriating money; amending Minnesota Statutes 1976, Sections 120.17, Subdivision 9; 123.931; 123.932, Subdivision 7, and by adding subdivisions; 123.933; 123.935; 123.936; 123.937; 124.212, by adding a subdivision; and Chapter 123, by adding a section; Minnesota Statutes, 1977 Supplement, Sections 124.212, Subdivision 9a; and 124.223; repealing Minnesota Statutes 1976, Sections 123.932, Subdivisions 1, 2, 6 and 8; 123.934; and Laws 1977, Chapter 447, Article VI, Section 12.

Mr. Kleinbaum moved to amend S. F. No. 1722, as follows:

Page 6, line 18, strike the semicolon and insert a colon

The motion prevailed. So the amendment was adopted.

Mr. Stumpf moved to amend S. F. No. 1722, as follows:

Page 2, line 19, after "123.937" insert "*and section 19 of this act*"

Page 9, after line 29, insert

"Sec. 19. Minnesota Statutes 1976, Chapter 123, is amended by adding a section to read:

[123.938] [EDUCATIONAL AID FOR NONSECTARIAN NONPUBLIC SCHOOL CHILDREN.] *Subdivision 1. [DEFINITIONS.] As used in this section, the terms defined in this subdivision shall have the meanings ascribed to them.*

(1) "*Nonsectarian nonpublic school*" means any nonpublic school, as defined in section 123.932, subdivision 3, which is not church related, is not controlled by a church, and does not promote a religious belief.

(2) "*Instructional materials*" means books, workbooks, manuals, published materials, periodicals, documents, pamphlets, photographs, reproductions, pictorial or graphic works, musical scores, maps, globes, sound recordings including but not limited to those on discs and tapes, or any other printed and published materials of a similar nature made by any method. The term does not include textbooks or standardized tests as defined in section 123.932. The term includes only such secular, neutral and nonideological materials as are available and of benefit to Minnesota public

school pupils or are made available in public school libraries. The term shall be limited to "school library and audio visual materials" and "instructional supplies" as those terms or their equivalent are described and designated in the manual of instructions for uniform accounting for Minnesota school districts published by the department of education.

(3) "Equipment" means any item that is a moveable unit of furnishing, an instrument, a machine, an apparatus, or set of articles which meets all the following conditions: (a) it retains its original shape and appearance with use, and (b) it is nonexpendable; that is, if the article is damaged or some of its parts are lost or worn out, it is usually more feasible to repair rather than replace it with an entirely new unit. The term shall be limited to secular, neutral, nonideological items and devices which are used by pupils in public schools and shall be limited to items used in courses or curriculum relating to physical education programs, laboratory sciences, mathematical sciences, business training, practical arts and vocational-technical programs.

Subd. 2. The provisions of this section shall apply only to those nonsectarian nonpublic schools which enroll fewer than 300 pupils as of September 15 of the school year for which the instructional materials and equipment are provided. For purposes of the count in this subdivision, each kindergarten pupil shall be counted as one pupil. The provisions of this section shall not apply to nonsectarian nonpublic schools whose primary purpose is to provide programs to preschool children or to children under the age of seven.

Subd. 3. [PURCHASE OR LOAN OF INSTRUCTIONAL MATERIALS.] The state board of education shall promulgate rules under the provisions of chapter 15, requiring that in each school year, based on formal requests by or on behalf of nonsectarian nonpublic school pupils in a nonsectarian nonpublic school, the local districts or intermediary service areas shall purchase or otherwise acquire instructional materials and loan or provide them for use by children enrolled in that nonsectarian nonpublic school. The loan or provision of the instructional materials shall be subject to rules promulgated by the state board of education.

In the case of consumable or nonreusable instructional materials, the title and possession may be surrendered to the nonsectarian nonpublic school pupil for whom they are provided; in the case of nonconsumable or reusable instructional materials the title to same shall remain in the servicing school district or intermediary service area, and possession or custody may be granted or charged to administrators of the nonsectarian nonpublic school attended by the nonsectarian nonpublic school pupil or pupils to whom the instructional materials were loaned.

The cost per pupil of the instructional materials provided for in this subdivision for each school year shall not exceed the statewide average expenditure per pupil by the Minnesota public elementary and secondary schools for instructional materials as computed and established by the department of education by March 1 of the preceding school year from the most recent public school year data

then available. The commissioner shall allot to the school districts or intermediary service areas the total cost for each school year of providing or loaning the instructional materials for the pupils in each nonsectarian nonpublic school which shall not exceed the product of the statewide average expenditure per pupil multiplied by the number of nonsectarian nonpublic school pupils who make requests pursuant to this subdivision and who are enrolled as of September 15 of the current school year.

Subd. 4. [PURCHASE AND PROVISION OR LOAN OF EQUIPMENT.] The state board of education shall promulgate rules under the provisions of Chapter 15, requiring that in each school year, based upon formal requests by or on behalf of nonsectarian nonpublic school pupils in a nonsectarian nonpublic school, the local districts or intermediary service areas shall purchase or otherwise acquire equipment and loan or provide the same for use by pupils enrolled in that nonsectarian nonpublic school. This equipment shall be loaned or provided free to the pupils for the school year for which requested. The loan or provision of the equipment shall be subject to rules promulgated by the state board of education.

The title to the equipment shall remain in the servicing school district or intermediary service area, and possession or custody may be granted or charged to administrators of the nonsectarian nonpublic school attended by the nonsectarian nonpublic school pupil or pupils to whom the equipment is loaned or provided. The commissioner shall allot to the school districts or intermediary service areas the total cost for each school year of providing or loaning the equipment for the pupils in each nonsectarian nonpublic school which shall not exceed the product of \$10 multiplied by the number of nonsectarian nonpublic school pupils who make requests pursuant to this subdivision and who are enrolled as of September 15 of the current school year.

Subd. 5. The educational aids to nonsectarian nonpublic school pupils provided for by this section shall be supplementary to the educational aids and services provided to nonpublic school pupils pursuant to sections 123.931 to 123.937.

Subd. 6. During each school year the commissioner shall make such payments to school districts or intermediary service areas as are needed to meet contractual obligations incurred for the provision of benefits to nonsectarian nonpublic school students pursuant to this section.

Subd. 7. Each year, a school district or intermediary service area may claim and receive from the department of education an additional sum for the actual cost of administration of this section, which shall not exceed an amount equal to five percent of the district's or area's allocation for that year pursuant to this section."

Page 13, line 16, after "123.937" insert "and section 19 of this act"

Page 13, line 23, strike "22" and insert "23"

Page 14, after line 2, insert

"Sec. 26. [APPROPRIATION.] *There is appropriated from the general fund to the department of education the sum of \$95,000 for the year ending June 30, 1979, for the purposes of section 19 of this act.*"

Page 14, line 10, strike "19,"

Page 14, line 10, after "20," insert "21,"

Page 14, line 11, strike "22" and insert "23"

Renumber the sections in sequence

Further, amend the title as follows:

Page 1, line 9, delete "a section" and insert "sections"

The motion prevailed. So the amendment was adopted.

Mr. Ashbach moved to amend S. F. No. 1722 as follows:

Page 5, line 27, strike "statewide"

Page 5, line 29, after "schools" insert "*in the district in which the nonpublic school is located*"

Page 6, line 7, strike "statewide"

Page 6, line 7, after "pupil" insert "*in the district where the nonpublic school is located*"

Page 8, line 9, strike "*those Minnesota*" and insert "*the*"

Page 8, line 10, after "schools" insert "*in the district where the nonpublic school is located*"

Page 8, line 24, strike "*those Minnesota*" and insert "*the*"

Page 8, line 25, after "schools" insert "*in the district where the nonpublic school is located*"

Page 8, line 32, after "services" insert "*in the district where the nonpublic school is located*"

Page 9, line 2, after "services" insert "*in the district where the nonpublic school is located*"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 15 and nays 37, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Keefe, J.	Lewis	Spear
Brataas	Frederick	Kirchner	Ogdahl	Ueland, A.
Davies	Jensen	Knaak	Pillsbury	Ulland, J.

Those who voted in the negative were:

Benedict	Keefe, S.	Merriam	Peterson	Strand
Bernhagen	Kleinbaum	Moe	Purfeerst	Stumpf
Chenoweth	Knoll	Nelson	Schaaf	Vega
Chmielewski	Laufenburger	Nichols	Schrom	Wegener
Gearty	Lessard	Olhoft	Setzepfandt	Willet
Gunderson	Luther	Olson	Sietoff	
Hanson	McCutcheon	Penny	Solon	
Johnson	Menning	Perpich	Staples	

The motion did not prevail. So the amendment was not adopted.

S. F. No. 1722: A bill for an act relating to education; providing educational aids for children attending nonpublic schools; appropriating money; amending Minnesota Statutes 1976, Sections 120.17, Subdivision 9; 123.931; 123.932, Subdivision 7, and by adding subdivisions; 123.933; 123.935; 123.936; 123.937; 124.212, by adding a subdivision; and Chapter 123, by adding sections; Minnesota Statutes, 1977 Supplement, Sections 124.212, Subdivision 9a; and 124.223; repealing Minnesota Statutes 1976, Sections 123.932, Subdivisions 1, 2, 6 and 8; 123.934; and Laws 1977, Chapter 447, Article VI, Section 12.

Was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 46 and nays 10, as follows:

Those who voted in the affirmative were:

Ashbach	Humphrey	Luther	Perpich	Stumpf
Benedict	Jensen	McCutcheon	Peterson	Ueland, A.
Bernhagen	Keefe, J.	Menning	Purfeerst	Ulland, J.
Chenoweth	Keefe, S.	Merriam	Renneke	Vega
Chmielewski	Kirchner	Moe	Schrom	Wegener
Dieterich	Kleinbaum	Nelson	Setzepfandt	Willet
Engler	Knaak	Nichols	Sieloff	
Frederick	Knoll	Olhoff	Solon	
Gearty	Laufenburger	Olson	Staples	
Hanson	Lessard	Penny	Stokowski	

Those who voted in the negative were:

Brataas	Gunderson	Lewis	Pillsbury	Strand
Davies	Johnson	Ogdahl	Spears	Tennessee

So the bill, as amended, passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 1450 a Special Order to be heard immediately.

S. F. No. 1450: A bill for an act relating to economic development; creating an operating unit within the department of economic development relating to small businesses; creating an advisory task force; requiring reports and recommendations; transferring the administration of laws relating to community development corporations; increasing the salary of the commissioner; amending Minnesota Statutes, 1977 Supplement, Sections 15A.081, Subdivision 1; 362.41, Subdivision 5; and Minnesota Statutes 1976, Chapter 362, by adding a section.

Mr. Peterson moved to amend S. F. No. 1450 as follows:

Page 2, lines 13 to 14, strike "*and types of small businesses located in the state*" and insert "*. At least three of the gubernatorial appointees shall be small businessmen*"

Pages 3 to 6, strike section 7

Renumber the sections in sequence

Amend the title as follows:

Page 1, lines 8 to 9, strike "increasing the salary of the commissioner;"

Page 1, line 10, strike "Sections 15A.081, Subdivision 1;" and insert "Section"

The motion prevailed. So the amendment was adopted.

Mr. Frederick moved to amend S. F. No. 1450 as follows:

Page 6, lines 11 and 12, strike "Section 7 is effective July 1, 1979."

The motion prevailed. So the amendment was adopted.

S. F. No. 1450: A bill for an act relating to economic development; creating an operating unit within the department of economic development relating to small businesses; creating an advisory task force; requiring reports and recommendations; transferring the administration of laws relating to community development corporations; amending Minnesota Statutes, 1977 Supplement, Section 362.41, Subdivision 5; and Minnesota Statutes 1976, Chapter 362, by adding a section.

Was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Hanson	Lewis	Perpich	Stokowski
Benedict	Humphrey	Luther	Peterson	Strand
Bernhagen	Jensen	McCutcheon	Pillsbury	Stumpf
Brataas	Johnson	Menning	Purfeerst	Tennessee
Chenoweth	Keefe, J.	Merriam	Renneke	Ueland, A.
Chmielewski	Keefe, S.	Moe	Schaaf	Ulland, J.
Davies	Kirchner	Nelson	Schrom	Vega
Dieterich	Kleinbaum	Nichols	Setzepfandt	Wegener
Engler	Knaak	Ogdahl	Sieloff	Willet
Frederick	Knoll	Olhoff	Solon	
Gearty	Laufenburger	Olson	Spear	
Gunderson	Lessard	Penny	Staples	

So the bill, as amended, passed and its title was agreed to.

Pursuant to Rule 21, Mr. Moe moved that the following members be excused for a Conference Committee on H. F. Nos. 2493 and 2494:

Messrs. Moe, Kirchner, Lewis, Kleinbaum and Humphrey.

The motion prevailed.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Keefe, S., for Mr. Coleman, Chairman

of the Subcommittee on Bill Scheduling, designated H. F. No. 1923 a Special Order to be heard immediately.

H. F. No. 1923: A bill for an act relating to taxation; restricting certificate of value filing requirements to transfers of property made after 1977; amending Minnesota Statutes, 1977 Supplement, Section 272.115, Subdivisions 1 and 4.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Luther	Perpich	Staples
Benedict	Hanson	McCutcheon	Peterson	Stokowski
Bernhagen	Humphrey	Menning	Pillsbury	Strand
Brataas	Jensen	Merriam	Purfeerst	Stumpf
Chenoweth	Johnson	Moe	Renneke	Tennessen
Chmielewski	Keefe, J.	Nelson	Schaaf	Ueland, A.
Davies	Keefe, S.	Nichols	Schrom	Ulland, J.
Dieterich	Knaak	Ogdahl	Setzepfandt	Vega
Engler	Knoll	Olhoff	Sieloff	Wegener
Frederick	Laufenburger	Olson	Solon	Willet
Gearty	Lessard	Penny	Spear	

So the bill passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 2062 a Special Order to be heard immediately.

S. F. No. 2062: A bill for an act relating to taxation; delaying the effective date of change in allocation of gross income of estates and trusts; amending Laws 1977, Chapter 423, Article 1, Section 16.

Mr. Sieloff moved to amend S. F. No. 2062 as follows:

Page 1, after line 19, insert:

"Sec. 2. [EFFECTIVE DATE.] Section 1 is effective for taxable years beginning after December 31, 1977."

The motion prevailed. So the amendment was adopted.

S. F. No. 2062 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 50 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Lessard	Penny	Staples
Benedict	Gearty	Luther	Perpich	Stokowski
Bernhagen	Gunderson	McCutcheon	Pillsbury	Strand
Borden	Hanson	Menning	Renneke	Stumpf
Brataas	Jensen	Merriam	Schaaf	Tennesen
Chmielewski	Johnson	Nelson	Schrom	Ueland, A.
Coleman	Keefe, J.	Nichols	Setzepfandt	Ulland, J.
Davies	Keefe, S.	Ogdahl	Sieloff	Vega
Dieterich	Knaak	Olhoft	Solon	Wegener
Engler	Laufenburger	Olson	Spear	Willet

So the bill, as amended, passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 2078 a Special Order to be heard immediately.

S. F. No. 2078: A bill for an act relating to taxation; sales tax; changing definition of common carriers as retailers; amending Minnesota Statutes, 1977 Supplement, Section 297A.211, 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 48 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Luther	Perpich	Staples
Benedict	Gearty	McCutcheon	Pillsbury	Stokowski
Bernhagen	Gunderson	Menning	Purfeerst	Strand
Brataas	Hanson	Merriam	Renneke	Stumpf
Chenoweth	Jensen	Nelson	Schaaf	Ulland, J.
Chmielewski	Johnson	Nichols	Schrom	Vega
Coleman	Keefe, J.	Ogdahl	Setzepfandt	Wegener
Davies	Knaak	Olhoft	Sieloff	Willet
Dieterich	Laufenburger	Olson	Solon	
Engler	Lessard	Penny	Spear	

So the bill passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 2361 a Special Order to be heard immediately.

S. F. No. 2361: A bill for an act relating to peace officers; setting forth criteria for the use of deadly force by peace officers; amending Minnesota Statutes 1976, Sections 609.065; 629.33; and Chapter 609, by adding a section.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 42 and nays 6, as follows:

Those who voted in the affirmative were:

Benedict	Engler	Laufenburger	Pillsbury	Stumpf
Bernhagen	Gearty	Lessard	Purfeerst	Tennessee
Borden	Gunderson	Luther	Schaaf	Ueland, A.
Brataas	Hanson	McCutcheon	Setzepfandt	Ulland, J.
Chenoweth	Johnson	Nelson	Sieloff	Vega
Chmielewski	Keefe, J.	Nichols	Spear	Willet
Coleman	Keefe, S.	Olhoft	Staples	
Davies	Knaak	Penny	Stokowski	
Dieterich	Knoll	Peterson	Strand	

Those who voted in the negative were:

Menning	Olson	Renneke	Schrom	Wegener
Merriam				

So the bill passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 1864 a Special Order to be heard immediately.

S. F. No. 1864: A bill for an act relating to state employees; improving testing procedures; tightening provisions relating to provisional appointments; providing for a pilot reliability-based band width certification program; altering certain requirements for appointment and benefit eligibility; establishing special procedures for filling certain positions; providing for modified reimbursements of costs; providing notification of appeal rights; appropriating money; amending Minnesota Statutes 1976, Sections 43.13, Subdivision 1, and by adding a subdivision; 43.14, Subdivision 1; 43.18; 43.19, Subdivision 1; 43.20, Subdivisions 2, 3, 5, and by adding a subdivision; 43.24, Subdivision 1; 43.32, Subdivision 11; 43.327, Subdivisions 1 and 2; 43.491, by adding a subdivision; and Chapter 43, by adding a section.

Mr. Ashbach moved to amend S. F. No. 1864 as follows:

Page 8, lines 11 to 13, reinstate the stricken language

Page 8, line 13, after the reinstated "year" insert "*in any one agency*"

The motion prevailed. So the amendment was adopted.

Mr. Ashbach then moved to amend S. F. No. 1864 as follows:

Page 7, line 18, after "*capacity*" insert "*and if the commissioner reasonably determines that further attempts at filling the vacancy through the competitive examination would not be successful*"

The motion did not prevail. So the amendment was not adopted.

S. F. No. 1864 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 44 and nays 0, as follows:

Those who voted in the affirmative were:

Benedict	Gunderson	Menning	Peterson	Stokowski
Bernhagen	Hanson	Merriam	Pillsbury	Strand
Chenoweth	Johnson	Nelson	Purfeerst	Stumpf
Coleman	Keefe, J.	Nichols	Schaaf	Tennessee
Davies	Keefe, S.	Ogdahl	Setzepfandt	Ueland, A.
Dieterich	Knoll	Olhoft	Sieloff	Ulland, J.
Engler	Laufenburger	Olson	Solon	Vega
Frederick	Lessard	Penny	Spear	Willet
Gearly	Luther	Perpich	Staples	

So the bill, as amended, passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 2192, a Special Order to be heard immediately.

H. F. No. 2192: A bill for an act relating to transportation; establishing a rail user loan guarantee program; creating a rail user loan guarantee account; prescribing powers and duties of the commissioner of transportation; appropriating money; amending Minnesota Statutes 1976, Sections 362A.01, Subdivision 2; and 474.02, Subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 42 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Menning	Peterson	Stokowski
Bernhagen	Hanson	Merriam	Pillsbury	Strand
Brataas	Johnson	Nelson	Purfeerst	Stumpf
Chmielewski	Keefe, J.	Nichols	Renneke	Ueland, A.
Coleman	Keefe, S.	Ogdahl	Schaaf	Ulland, J.
Davies	Knoll	Olhoft	Setzepfandt	Willet
Dieterich	Laufenburger	Olson	Sieloff	
Engler	Lessard	Penny	Spear	
Frederick	Luther	Perpich	Staples	

So the bill passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 1826 a Special Order to be heard immediately.

H. F. No. 1826: A bill for an act relating to public welfare; providing compensation to residents of state institutions; accepting volunteer services; authorizing rule promulgation for child cost of care; authorizing ward institutional placement for respite care; concerning the discharge of a committed patient; providing for a hospital program plan; concerning local welfare hearing; regarding child support; amending Minnesota Statutes 1976, Sections 246.36; 252A.11, Subdivision 3; 253A.15, Subdivision 11; 253A.17,

Subdivision 9; 256.045, Subdivision 2; Chapter 246, by adding a section; Minnesota Statutes, 1977 Supplement, Sections 252.27, Subdivision 2; 256.79; 256.873.

Mr. Keefe, J. moved to amend the amendment placed on H. F. 1826 by the Committee on Health, Welfare and Corrections, adopted by the Senate March 9, 1978, as follows:

Section 10, Clause (13), line 5, after the period insert "*For the purpose of this clause, a person who is incapable of transport by taxicab or bus shall be considered to be non-ambulatory.*"

The motion prevailed. So the amendment to the amendment was adopted.

H. F. No. 1826 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 42 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Lessard	Perpich	Stokowski
Bernhagen	Gunderson	Luther	Peterson	Strand
Borden	Hanson	Menning	Pillsbury	Stumpf
Brataas	Johnson	Merriam	Purfeerst	Ueland, A.
Chmielewski	Keefe, J.	Nelson	Renneke	Ulland, J.
Coleman	Keefe, S.	Nichols	Schaaf	Willet
Davies	Knaak	Olhoft	Setzepfandt	
Dieterich	Knoll	Olson	Spear	
Frederick	Laufenburger	Penny	Staples	

So the bill, as amended, passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 1416 a Special Order to be heard immediately.

H. F. No. 1416: A bill for an act relating to the legislature; requiring that bodies wholly or principally composed of legislators submit budgets and complement requests to the legislative coordinating commission; amending Minnesota Statutes 1976, Chapter 3, by adding a section.

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 2, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Luther	Pillsbury	Strand
Benedict	Gunderson	McCutcheon	Purfeerst	Stumpf
Bernhagen	Hanson	Menning	Renneke	Ueland, A.
Borden	Johnson	Nelson	Schaaf	Ulland, J.
Brataas	Keefe, J.	Nichols	Schrom	Vega
Chmielewski	Keefe, S.	Ogdahl	Setzepfandt	Wegenor
Coleman	Knaak	Olhoft	Sieloff	Willet
Davies	Knoll	Olson	Spear	
Dieterich	Laufenburger	Penny	Staples	
Frederick	Lessard	Peterson	Stokowski	

Messrs. Perpich and Tennessen voted in the negative.

So the bill passed and its title was agreed to.

**MOTIONS AND RESOLUTIONS—CONTINUED
SUSPENSION OF RULES**

Mr. Menning 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. 2196 and that the rules of the Senate be so far suspended as to give H. F. No. 2196, now on General Orders, its third reading and place it on its final passage. The motion prevailed.

H. F. No. 2196: A bill for an act relating to claims against the state; appropriating money for the payment thereof; altering conditions for waiver of immunity from suit by the Rum River Lumber Company; amending Laws 1975, Chapter 158, Section 4.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 47 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Hanson	Menning	Renneke	Strand
Bernhagen	Johnson	Merriam	Schaaf	Stumpf
Borden	Keefe, J.	Nelson	Schmitz	Tennessen
Brataas	Keefe, S.	Ogdahl	Schrom	Ueland, A.
Chmielewski	Knaak	Olhoff	Setzepfandt	Ulland, J.
Coleman	Knoll	Olson	Sieloff	Wegener
Davies	Laufenburger	Penny	Solon	Willet
Engler	Lessard	Peterson	Spear	
Gearty	Luther	Pillsbury	Staples	
Gunderson	McCutcheon	Purfeerst	Stokowski	

So the bill passed and its title was agreed to.

Remaining on the Order of Business and Motions and Resolutions, Mr. Coleman moved to take up the General Orders Calendar. The motion prevailed.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Gearty in the chair.

After some time spent therein, the committee arose, and Mr. Gearty reported that the committee had considered the following:

S. F. No. 954, H. F. Nos. 1977, 807, 1909, 267, 1808 which the committee recommends to pass.

S. F. Nos. 2178 and 2029 which the committee recommends be returned to their authors.

S. F. No. 793, which the committee recommends to pass with the following amendment offered by Mr. Stumpf:

Page 4, line 22, strike "A"

Page 4, strike lines 23 to 26

Page 7, lines 8 to 11, reinstate the stricken language

Page 11, line 8, strike "*a group of*" and insert "*two or more*"

Pages 11 to 18, strike sections 19 to 25

Page 18, line 24, strike "26" and insert "19"

Page 18, line 26, strike "27" and insert "20"

Amend the title as follows:

Page 1, line 2, strike "transferring certain"

Page 1, strike line 3

Page 1, line 4, strike "the pollution control agency;"

Page 1, line 11, strike "establishing a lake"

Page 1, strike lines 12 to 15

Page 1, line 16, strike "agency;"

S. F. No. 1753, which the committee recommends to pass with the following amendments offered by Messrs. Peterson and Nichols:

Mr. Peterson moved to amend S. F. No. 1753 as follows:

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes, 1977 Supplement, Section 176.011, Subdivision 9, is amended to read:

Subd. 9. [EMPLOYEE.] "Employee" means any person who performs services for another for hire; and includes the following:

- (1) an alien;
- (2) a minor;
- (3) a sheriff, deputy sheriff, constable, marshal, policeman, fireman, a county highway engineer, and a peace officer while engaged in the enforcement of peace or in and about the pursuit or capture of any person charged with or suspected of crime;
- (4) a county assessor;
- (5) an elected or appointed official of the state, or of any county, city, town, school district or governmental subdivision therein but an officer of a political subdivision elected or appointed for a regular term of office or to complete the unexpired portion of any such regular term, shall be included only after the governing body of the political subdivision has adopted an ordinance or resolution to that effect;
- (6) an executive officer of a corporation except an officer of a family farm corporation as defined in section 500.24, subdivision 1, clause (c) , *nor shall it include executive officers of closely held corporations who are referred to in section 2 of this act ;*

(7) a voluntary uncompensated worker, other than an inmate, rendering services in state institutions under the commissioner of public welfare and state institutions under the commissioner of corrections similar to those of officers and employees of such institutions, and whose services have been accepted or contracted for by the commissioner of public welfare or the commissioner of corrections as authorized by law, shall be employees within the meaning of this subdivision. In the event of injury or death of any such voluntary uncompensated worker, the daily wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of such injury or death for similar services in institutions where such services are performed by paid employees;

(8) a voluntary uncompensated worker engaged in peace time in the civil defense program when ordered to training or other duty by the state or any political subdivision thereof, shall be employees. The daily wage of the worker for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of such injury or death for similar services where such services are performed by paid employees;

(9) a voluntary uncompensated worker participating in a program established by a county welfare board shall be an employee within the meaning of this subdivision. In the event of injury or death of any such voluntary uncompensated worker, the wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid in the county at the time of such injury or death for similar services where such services are performed by paid employees working a normal day and week;

(10) a voluntary uncompensated worker accepted by the commissioner of natural resources who is rendering services as a volunteer pursuant to section 85.041 shall be an employee. The daily wage of the worker for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of injury or death for similar services where such services are performed by paid employees.

(11) a member of the military forces, as defined in section 190.05, while in "active service" or "on duty" as defined in section 190.05, when the service or duty is ordered by state authority. The daily wage of the member for the purpose of calculating compensation payable under this chapter shall be based on the member's usual earnings in civil life. If there is no evidence of previous occupation or earning, the trier of fact shall consider the member's earnings as a member of the military forces;

(12) a voluntary uncompensated worker, accepted by the director of the Minnesota historical society, rendering services as a volunteer, pursuant to chapter 138, shall be an employee. The daily wage of the worker, for the purposes of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of injury or death for similar services where such services are performed by paid employees.

In the event it is difficult to determine the daily wage as herein provided, then the trier of fact may determine the wage upon which the compensation is payable."

Page 1, line 14, after "(c)," insert "*or executive officers of a closely held corporation which employed less than the equivalent of 11 full time employees in the previous calendar year if those executive officers are also owners of at least 25 percent of the stock of that corporation,*"

Page 1, line 20, strike "or" and insert a comma

Page 1, line 22, before "elect" insert "*or executive officer of a closely held corporation*"

Page 1, line 5, strike "or" and insert a comma

Page 2, line 5, after "corporations" insert "*or closely held corporations*"

Renumber the sections in sequence

Amend the title as follows:

Line 5, strike "Section" and insert "Sections 176.011, Subdivision 9; and"

Mr. Nichols moved to amend S. F. No. 1753 as follows:

Page 2, after line 6, insert:

"Sec. 2. Minnesota Statutes, 1977 Supplement, Section 176.101, Subdivision 7, is amended to read:

Subd. 7. [COMPENSATION DURING RETRAINING.] For any injury producing permanent disability which will prevent the employee from adequately performing the duties of the occupation he held at the time of injury, or any other injury which will or is likely to produce indefinite and continuous disability in excess of 26 weeks, the commissioner of the department of labor and industry shall require that the injured employee be promptly referred to the division of vocational rehabilitation, department of education, or other public or private, properly accredited agency, to determine if retraining for a new occupation would significantly reduce or remove any reduction in employability caused by the injury. The employer shall pay any usual and reasonable expenses and charges for such evaluation. If the evaluating agency certifies to the commissioner of the department of labor and industry that a period of retraining will significantly reduce or prevent the decrease in employability resulting from the injury, and if the commissioner of the department of labor and industry, compensation judge, or worker's compensation court of appeals, in cases upon appeal, determines the retraining is necessary and makes an order for such compensation, the employer shall pay up to 156 weeks of additional compensation during the actual period of retraining according to the schedule of compensation for temporary total disability and shall pay any other expense determined as reasonably necessary to restore former earning capacity by the commissioner of labor and industry after consultation with the division of vocational rehabilitation to rehabili-

tate the employee. *No payment shall be due under section 176.101, subdivisions 1, 2, 4, or 5 for the actual period of retraining for which weekly compensation benefits are paid under this subdivision.*"

Renumber the sections in sequence

Further, amend the title as follows:

Page 1, line 4, after the semicolon insert "providing retraining benefits for certain employees;"

Page 1, line 5, delete "Section" and insert "Sections"

Page 1, line 5, before the period insert "; and 176.101, Subdivision 7"

S. F. No. 1949, which the committee recommends to pass with the following amendment offered by Mr. Merriam:

Page 2, line 1, strike "other" and insert "elected"

Page 2, line 1, strike "or employment"

Page 2, line 3, strike "other than"

Page 2, line 4, strike "the office of notary public or" and insert "or employment under the city, or employment under a police department of any city, other than as a"

Amend the title as follows:

Page 1, line 4, after "councils;" insert "removing certain restrictions on other employment;"

S. F. No. 1848, which the committee recommends to pass with the following amendment offered by Mr. Laufenburger:

Page 1, line 17, strike "in"

Page 1, line 18, strike "the dwelling unit" and insert "available on the premises"

Page 1, line 19, after the period strike the new language

Page 1, strike lines 20 to 22

H. F. No. 1859, which the committee recommends to pass with the following amendment offered by Mr. Strand:

Page 18, line 18, strike "quarterly" and insert "periodically as required by the applicable federal regulation"

Page 18, line 24, after "fund" insert "or by a retirement fund enumerated in section 356.30, subdivision 3,"

Page 19, line 4, after "fund" insert "or by a retirement fund enumerated in section 356.30, subdivision 3,"

Page 19, line 20, after "fund" insert "or by a retirement fund enumerated in section 356.30, subdivision 3,"

Page 19, line 28, strike "prior" and insert "or a retirement fund enumerated in section 356.30, subdivision 3, within the time period allowed under the applicable federal regulations"

Page 19, line 29, strike "*to the quarterly reprogramming next*"

Page 20, line 2, after "*provision.*" insert "*For any former provisional member who becomes a regular member of a retirement fund enumerated in section 356.30, subdivision 3, the board of trustees shall require written certification of the fact of unsubsidized employment from the subsequent employer and of the fact of regular fund membership from the subsequent retirement fund.*"

H. F. No. 838, which the committee recommends to pass with the following amendment offered by Mr. Hanson:

Amend H. F. No. 838, as amended pursuant to Rule 49, adopted by the Senate March 8, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 322.)

Page 9, line 23, strike "*annual*"

Page 9, line 24, after "*levy*" insert "*, which can be levied not more than once every five years,*"

Page 17, after line 17, insert:

"*Sec. 16. This act is effective the day following final enactment.*"

On motion of Mr. Coleman, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

Without objection, the Senate reverted to the Order of Business of Messages From the House and First Reading of House Bills.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H. F. No. 2527.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted March 13, 1978

FIRST READING OF HOUSE BILLS

The following bill was read the first time.

H. F. No. 2527: A bill for an act relating to the organization and operation of state government; clarifying, supplementing, and providing for deficiencies in appropriations for the expenses of state government with certain conditions; providing for payment of claims; shortening time for cancellation of certain drafts; authorizing fees and special accounts in certain cases; transferring duties; extending existence of advisory council on economic status of women; appropriating money; amending Minnesota Statutes 1976, Sections 3.736, Subdivision 7; 3.98, Subdivision 4; 10.15; 10A.20, Subdivision 3, as amended; 10A.27, Subdivision 4, as amended; 10.32, Subdivision 3, as amended; 15.061; 16.32, Subdivision 1;

16A.128; 16A.15, Subdivision 1; 16A.60; 16A.67, Subdivision 2; 60A.13, Subdivision 7; 60A.14, Subdivision 1; 136A.29, Subdivision 9; 242.385, Subdivision 1; 299C.10; 299C.11; 299D.03, Subdivision 6; 341.12; 363.14, Subdivision 1; 480.13; and Chapter 16A, by adding sections; Minnesota Statutes, 1977 Supplement, Sections 15A.083, Subdivision 4, and by adding a subdivision; 16.125, Subdivisions 1 and 3; 16.72, Subdivision 7; 43.42; 43.43, Subdivision 2; 120.17, Subdivision 7a; 139.18, Subdivision 2; 298.28, Subdivision 1; 473.591, Subdivision 3; 484.62; 484.68, Subdivision 6; and 484.68, by adding subdivisions; amending Laws 1976, Chapter 337, Sections 1, Subdivision 4; and 4; amending Laws 1977, Chapter 421, Section 13, by adding a subdivision; Laws 1977, Chapter 445, Section 3, Subdivision 3; Laws 1977, Chapter 454, Section 5, Subdivision 1; repealing Minnesota Statutes 1976, Sections 3.732, Subdivision 4; 16.171; 60A.13, Subdivisions 3 and 4; 162.19; 325.64 to 325.76; and 363.122.

SUSPENSION OF RULES

Mr. Moe 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. 2527 and that the rules of the Senate be so far suspended as to give H. F. No. 2527 its second and third reading and place it on its final passage. The motion prevailed.

H. F. No. 2527 was read the second time.

CALL OF THE SENATE

Mr. Ashbach imposed a call of the Senate. The following Senators answered to their names:

Ashbach	Frederick	Laufenburger	Penny	Solon
Benedict	Gearty	Lewis	Perpich	Spear
Borden	Gunderson	Luther	Peterson	Staples
Brataas	Hanson	McCutcheon	Pillsbury	Stokowski
Chenoweth	Humphrey	Menning	Purfeerst	Strand
Chmielewski	Kirchner	Merriam	Renneke	Stumpf
Coleman	Kleinbaum	Moe	Schaaf	Ueland, A.
Davies	Knaak	Nelson	Schrom	Vega
Engler	Knoll	Olhoft	Steloff	Wegener

The Sergeant at Arms was instructed to bring in the absent members.

Mr. Moe moved to amend H. F. No. 2527 as follows:

Strike everything after the enacting clause and insert:

"Section 1. [STATE GOVERNMENT; APPROPRIATIONS.] The sums set forth in the columns designated "APPROPRIATIONS" are appropriated from the general fund, or any other fund designated, to the agencies and for the purposes specified in the following sections of this act, to be available for the fiscal years indicated for each purpose. The figures "1978", and "1979", wherever used in this act, mean that the appropriation or appropriations listed thereunder are available for the year ending June 30, 1978, or June 30, 1979, respectively.

APPROPRIATIONS
Available for the year
Ending June 30,
1978 1979

	\$		\$
Sec. 2. LEGISLATIVE COORDINATING COMMISSION			
For the Advisory Council on Economic Status of Women			70,000
Sec. 3. LEGISLATIVE COMMISSION ON PENSIONS AND RETIREMENT			
	5,000		12,000
These appropriations are added to the appropriations in Laws 1977, Chapter 455, Section 2, Subdivision 5.			
Sec. 4. SUPREME COURT			
Subdivision 1. Salaries and fringe benefits for district court administrators			125,938
This appropriation is added to the appropriation in Laws 1977, Chapter 432, Section 47, Subdivision 1.			
Subd. 2. Salary increase for state court administrator			5,000
Subd. 3. State Judicial Information Systems Project			259,870
Subd. 4. The appropriations in subdivisions 2 and 3 are added to the appropriations in Laws 1977, Chapter 455, Section 3, Subdivision 1.			
Sec. 5. ATTORNEY GENERAL			237,003
Approved complement			
General—add 9			
These positions and money are subtracted from the approved complement and fiscal 1979 appropriation to the commissioner of public welfare in Laws 1977, Chapter 453, Section 2, Subdivision 1, and are added to the approved complement and appropriation to the attorney general for fiscal year 1979 in Laws 1977, Chapter 455, Section 16, Subdivision 1.			
Sec. 6. ADMINISTRATION			
Subdivision 1. For the state contribution to the Council of State Governments			8,910
This appropriation is added to the appropriation for general support in Laws 1977, Chapter 455, Section 20.			

	1978	1979
	\$	\$
Subd. 2. For expenses of the attorney general elect		7,500
<p>Subd. 3. Money appropriated for energy surveys of state buildings in Laws 1977, Chapter 455, Section 20 is available until June 30, 1979.</p>		
<p>Sec. 7. PERSONNEL</p>		
Subdivision 1. For a personnel management information system, PRIDE phases 1 and 2	800,000	
<p>Of this appropriation, \$735,000 is available for expenditure only with the approval of the governor after consultation with the legislative advisory commission in the manner provided in Minnesota Statutes, Section 3.30.</p>		
<p>This appropriation is available until June 30, 1979.</p>		
Subd. 2. Services to political subdivisions	12,530	12,562
<p>These appropriations are added to the appropriations for personnel technical services in Laws 1977, Chapter 455, Section 23.</p>		
Sec. 8. PERSONNEL BOARD		45,571
<p>Sec. 9. REVENUE</p>		
<p>Approved Complement—add 9</p>		
Subdivision 1. Collection, audit, and administration of stadium liquor tax	100,000	89,000
Subd. 2. Auditing and enforcing production tax on taconite and iron sulphides		50,000
Subd. 3. Compilation and analysis of mineral exploration data, pursuant to section 298.48		150,000
<p>Subd. 4. The appropriations in subdivision 1 are added to the appropriations for income, sales and use tax management, and the appropriations in subdivisions 2 and 3 are added to the appropriation for property and special taxes management, in Laws 1977, Chapter 455, Section 25.</p>		

	1978	1979
	\$	\$
<p>Subd. 5. Any unencumbered balance at the end of the first year of the biennium from the \$300,000 appropriated to the commissioner by Laws 1977, Chapter 423, Article XI is available for the second year and is added to the second year appropriation for revenue management, income, sales and use tax management, and property and special taxes management in Laws 1977, Chapter 455, Section 25.</p>		
<p>Sec. 10. AGRICULTURE</p>		
<p>Approved Complement—add 2</p>		
For agricultural promotion councils	22,518	78,000
<p>Sec. 11. NATURAL RESOURCES</p>		
<p>Approved Complement</p>		
<p>General—add 20</p>		
<p>Game and Fish—subtract 9</p>		
<p>Six of these new persons are regional trails coordinators now working for the department on temporary non-complement status. One person is a park manager for St. Croix Wild River state park.</p>		
<p>Subdivision 1. The appropriation in Laws 1977, Chapter 455, Section 28, for peat studies in fiscal 1978 is available until June 30, 1979.</p>		
Subd. 2. For controlling smelt fishing activities on the north shore	5,000	
<p>This appropriation is added to the appropriation for this purpose for fiscal 1978 in Laws 1977, Chapter 455, Section 28.</p>		
<p>Sec. 12. POLLUTION CONTROL AGENCY</p>		
<p>The appropriation for 1977 in Laws 1977, Chapter 455, Section 31, Subdivision 2 is available until June 30, 1979.</p>		
<p>Sec. 13. ENERGY AGENCY</p>		
For preparation and promotion of a proposal for production and marketing of industrial hydrocarbons derived from agricultural commodities and forest products		150,000

1978

1979

\$

\$

The commissioners of agriculture and economic development and the directors of the energy and pollution control agencies shall jointly review all proposals by Minnesota organizations and individuals for pilot projects for production and marketing of industrial hydrocarbons derived from agricultural commodities and forest products pursuant to the Food and Agriculture Act of 1977, Pub. L. No. 95-113, Section 1420, 91 Stat. 998 (1977), and shall select one proposal to be recommended to the legislative advisory commission for endorsement and promotion by the state of Minnesota when it is submitted to the secretary of agriculture for funding.

This appropriation is available until June 30, 1979 for expenditure by the energy agency for the purposes indicated, with the approval of the governor after consultation with the legislative advisory commission in the manner provided in Minnesota Statutes, Section 3.30.

Sec. 14. COMMERCE

Subdivision 1. To provide sufficient money for continuation of implementation of a statewide licensing system for non-health related licensing boards

150,000

This appropriation is available until June 30, 1979.

Subd. 2. Of the appropriation made in Laws 1977, Chapter 453, Section 2, Subdivision 3, to the commissioner of public welfare for income maintenance programs, \$200,000 is transferred to the commissioner of insurance for the biennium ending June 30, 1979 in order to reimburse the comprehensive health association for the first \$200,000 claims expenses of the state plan incurred after June 30, 1978 which are in excess of premium payments allocated to the payment of benefits.

Notwithstanding any law to the contrary, insurers, fraternal and health maintenance organizations which are members of the association may recover any claims expenses and operating and administra-

1978

1979

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tive expenses of the association assessed against them through accident and health insurance premiums, subscriber contract charges, or health maintenance organization contract charges.

Notwithstanding the provisions of section 62E.08, subdivision 2, premiums charged for the state plan shall not exceed 125 percent of the premiums determined pursuant to section 62E.08, subdivision 1, except as this applies to health maintenance organizations whose charges for the state plan shall be based on generally accepted actuarial principles.

Sec. 15. BOARD OF ACCOUNTANCY

9,555

Approved Complement—add 1

Sec. 16. BOARD OF PEACE OFFICER STANDARDS AND TRAINING

Approved Complement—add 2

Sec. 17. ECONOMIC DEVELOPMENT

For an expanded tourism program

800,000

This appropriation is added to the appropriation for tourism industry services for fiscal 1979 in Laws 1977, Chapter 455, Section 48.

The limitations in that section on the amounts spent for tourism advertising and promotion and for tourism grants in fiscal 1979 are cancelled.

Of this appropriation, \$300,000 is for media advertising.

\$60,000 is for promotion.

\$100,000 is for statewide marketing research.

\$90,000 is for matching grants to regional tourism organizations. Each regional tourism organization shall report to the commissioner of economic development by October 1, 1979 on the expenditure of money from this appropriation. The commissioner shall compile the reports and

1978

1979

\$

\$

submit them to the legislature by November 15, 1979.

\$100,000 is for matching grants to local and statewide organizations for special events.

\$150,000 is for additional tourism publications.

The nonstate match for tourism projects may be supplied from public money, private contributions, or both, but shall not include revenue from advertising in tourism publications.

Sec. 18. PUBLIC SAFETY

Approved Complement

General—add 12

Trunk Highway—subtract 12

Subdivision 1. Money appropriated for the criminal justice data communications network for fiscal 1978 by Laws 1977, Chapter 455, Section 51 is available until June 30, 1979.

Subd. 2. For assisting crime and fire prevention

121,000

Of this appropriation, \$50,000 is for the purpose of investigating cross jurisdictional criminal activity. County sheriffs or the chief administrative officer of city police departments may use this amount for criminal investigatory activity, including purchase of information, relating to violations of section 609.32, subdivision 2 or subdivision 3 paragraphs 3 or 6. Application for funds, and reports at the conclusion of investigations, shall be made as provided in Laws 1977, Chapter 455, Section 51.

\$46,000 is for the establishment of programs by the superintendent of the bureau of criminal apprehension for training peace officers and firefighters in the conduct of investigations relating to the origin and cause of fires. Courses shall include fire scene investigation and preservation of evidence, interviewing of wit-

1978

1979

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\$

nesses and suspects, constitutional limits on interrogation by sworn and nonsworn officers, and other topics deemed necessary to the successful criminal investigation of arson and crimes related thereto. No more than \$38,000 shall be expended for reimbursing political subdivisions at a rate not to exceed 50 percent of the salaries of peace officers and firefighters for time spent in attending fire investigation courses offered by the bureau. Volunteer firefighters or peace officers from political subdivisions shall be reimbursed at a rate not to exceed \$35 per day plus expenses incurred in attending fire investigation training courses offered by the bureau. Reimbursement shall be made only in the event that both a peace officer and a firefighter from the same political subdivision attend the same training course. An officer from the county sheriffs' office shall satisfy the reimbursement requirement in the event a political subdivision does not have a local police department.

\$25,000 is for use by the commissioner for reimbursing political subdivisions who enter into agreements to perform uniform fire code inspections required by chapters 299F and 299I. Nothing herein shall be construed as shifting or imposing any tort liability on political subdivisions that perform fire code inspections under agreement with the commissioner.

This appropriation is available until June 30, 1979.

The appropriation for purchase of drugs and acquisition of information relating to possession and sale of controlled substances in Laws 1977, Chapter 455, Section 51 is decreased by \$100,000. The appropriation for purchase of contraband and information relating to receiving or selling stolen goods in Laws 1977, Chapter 455, Section 51 is decreased by \$50,000.

Subd. 3. For overtime, lodging, and expense costs of highway patrol personnel

	1978	1979
	\$	\$
directly attributable to the power line dispute	1,080,000	

Subd. 4. The limitation in Laws 1977, Chapter 455, Section 51 on fiscal 1979 spending for air patrolling of highways is cancelled. The commissioner of public safety may assign up to nine pilots to the air patrolling of highways.

Subd. 5. Money appropriated for a sound enforcement study by Laws 1977, Chapter 454, Section 3, Subdivision 11 is available until June 30, 1979.

Sec. 19. CRIME CONTROL PLANNING BOARD

Approved Complement

General—32

Federal—42

To offset a decline in appropriations of federal money

500,000

Of this appropriation, \$196,000 is for grants to regional and local units of government for planning purposes.

These appropriations are added to the appropriations in Laws 1977, Chapter 455, Section 11, Subdivision 4.

If federal Part B money received by the board and available for expenditure in fiscal 1979 exceeds \$535,000 the state appropriation for fiscal 1979 is reduced by the amount of the excess.

The legislative audit commission shall examine the activities and functions currently performed by staff of the Minnesota crime control planning board, regional crime control advisory councils, local criminal justice coordinating councils, and any other recipient of LEAA funds which participates in planning, evaluation, research, auditing or other administrative purposes of federal crime control acts as defined in section 299A.03. The audit commission shall conduct both a financial audit and program evaluation. The audit commission shall pre-

1978

1979

\$

\$

pare a report that recommends an organizational structure that complies with federal requirements but minimizes duplication of effort by state, regional, and other personnel. The report shall be provided to the legislature no later than November 30, 1979.

Sec. 20. HUMAN RIGHTS

For administrative costs of CETA personnel

26,248

Sec. 21. HOUSING FINANCE AGENCY

Approved Complement

1979-99

Spending limit on cost of general administration of agency programs

2,235,037

Sec. 22. EDUCATION

Approved Complement

1979

General—add 1

Federal—add 3

Subdivision 1. Substitutes for teachers assisting the board of teaching, pursuant to section 125.183, subdivision 6

25,900

Subd. 2. The department of education may submit a plan to the federal commissioner of education for the expenditure of money pursuant to the Career Education Incentive Act, Pub. L. No. 95-207, 91 Stat. 1464 (1977). The three federal positions authorized by this section shall be used only for the purposes of career education pursuant to a career education plan approved by the federal commissioner of education.

Subd. 3. Of the appropriation in Laws 1977, Chapter 449, Section 2, Subdivision 3, Clause (a), for fiscal 1978, \$150,000 is available until June 30, 1979 for ancillary and support services, and \$40,000 is available until June 30, 1979 for the salary and expenses of the

	1978	1979
	\$	\$
state schools coordinator, both at the Minnesota school for the deaf and the braille and sight-saving school.		
Subd. 4. For Uniform Financial Accounting Reporting System staff		175,000
This appropriation is added to the appropriation for this purpose in Laws 1977, Chapter 449, Section 2, Subdivision 5, Clause (b).		
Subd. 5. For reimbursement of the T.I.E.S. regional management information center for costs incurred in converting to the statewide management information system	500,000	450,000
The appropriation for fiscal 1978 is available until June 30, 1979.		
These appropriations are added to the appropriations for this purpose in Laws 1977, Chapter 449, Section 2, Subdivision 5, Clause (b).		
The department of education shall determine which costs are eligible for reimbursement.		
Subd. 6. For food storage costs for U.S.D.A. donated commodities	135,000	20,000
These appropriations are added to the appropriations for this purpose in Laws 1977, Chapter 449, Section 2, Subdivision 5, Clause (c). Of the unexpended balance of money in that clause for either year the type A lunch program, \$158,000 is available for this purpose.		
Subd. 7. Of the appropriation for reimbursement to school districts for child health screening costs in Laws 1977, Chapter 437, Section 6, Subdivision 2, Clause (b) for fiscal year 1979, \$410,000 is available for fiscal year 1978.		
Sec. 23. STATE HORTICULTURAL SOCIETY		
For the garden state project		55,700
Sec. 24. MINNESOTA HISTORICAL SOCIETY		

	1978	1979
	\$	\$
Subdivision 1. Operations, management, and maintenance of Hill House		181,500
Subd. 2. Contingent for operations, management, and maintenance		200,000

This appropriation shall be expended with the approval of the governor after consultation with the legislative advisory commission as provided in Minnesota Statutes, Section 3.30.

Subd. 3. For payment to the Minnesota International Center for its educational, cultural, and economic programs	30,000
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This appropriation is available until June 30, 1979.

Sec. 25. TRANSPORTATION

Subdivision 1. For grants to the Twin Cities area metropolitan transit commission for special transportation service to the handicapped, pursuant to the public transit subsidy program under Minnesota Statutes, Section 174.24	800,000
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Subd. 2. For a study of tourist information needs	40,000
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The commissioner of transportation shall, in cooperation with the commissioner of economic development and other interested parties, conduct a survey of providers and users of tourist oriented facilities in Minnesota to identify their informational needs including but not limited to directional signing and recommend to the legislature by January 1, 1979 alternative proposals for providing information to motorists about tourist oriented facilities.

The commissioners of transportation and economic development shall prepare and submit a work program by May 17, 1978 and furnish reports every two months to the legislative commission on Minnesota resources. None of the moneys provided in this subdivision may be expended unless the commission has approved the work program.

Sec. 26. HEALTH

	1978	1979
	\$	\$
Subdivision 1. To provide sufficient money for continuation of implementation of a statewide licensing system for health related licensing boards	100,000	
This appropriation is available until June 30, 1979		
Subd. 2. To furnish health services pursuant to the 1976 edition of Minnesota Statutes, Section 145.922, Subdivision 1		75,000
Subd. 3. To furnish Indian health services pursuant to Minnesota Statutes, Section 145.922, Subdivision 2		75,000
Subd. 4. For wells, soil and chemical analysis, geological and hydrological studies, well abandonment, and lab testing for model design	227,000	
This appropriation is available until June 30, 1979.		

Sec. 27. CORRECTIONS

Subdivision 1. To the prison revolving account to replace fire losses to raw materials in the cordage building in June, 1977	80,000	
Subd. 2. To pay legal settlement awarded an inmate for damage to his hand in an industrial accident	50,000	
Subd. 3. To establish a secure recreation area at the Northwest Regional Correction Center	11,500	

This appropriation is available until June 30, 1979.

Subd 4. For the Arrowhead Regional Corrections System	200,000	
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This appropriation is available until June 30, 1979.

Sec. 28. PUBLIC WELFARE

Subdivision 1. The approved complement for state hospitals is increased by up to 230 positions for fiscal year 1979. As the mentally retarded patient population de-

1978

1979

\$

\$

creases, the number of state funded positions shall be reduced in order to retain the same ratio of patients to state funded staff.

This appropriation is to meet the staffing requirements set forth in Part III of the consent decree for Cambridge state hospital, in the case of Welsh, et al. vs. Dirkswager, et al., for mentally retarded residents of the several state hospitals operating under the direction of the commissioner of public welfare.

For state hospital salaries

2,684,000

This appropriation is added to the appropriation for state hospital salaries in Laws 1977, Chapter 453, Section 2, Subdivision 4.

Subd. 2. Rum River Lumber Company 100,000

This amount shall be paid to the Rum River Lumber Company, Anoka, Minnesota, representing payment for loss of income and property damage not covered by insurance resulting from a fire set by an escaped inmate of Anoka state hospital, in full and final payment of a claim against the state. Payment shall be made when the Rum River Lumber Company dismisses the lawsuit authorized by Laws 1975, Chapter 158, Section 4.

This appropriation is available until June 30, 1979.

Payment of this claim shall not be considered an endorsement of the particular theory of state responsibility for a patient of a state institution on which this case was submitted to the jury.

Laws 1975, Chapter 158, Section 4, is superseded by this subdivision.

Sec. 29. UNEMPLOYMENT COMPENSATION

To the commissioner of finance for transfer to the unemployment compensation fund in reimbursement for unemploy-

	1978	1979
	\$	\$
ment compensation benefits paid to former employees of the bicentennial commission	11,135	

Sec. 30. Minnesota Statutes 1976, Section 3.736, Subdivision 7, is amended to read:

Subd. 7. [PAYMENT.] A state agency, including any entity defined as part of the state in section 3.732, subdivision 1, clause (1), incurring a tort claim judgment or settlement obligation or whose employees acting within the scope of their employment incur the obligation ~~may shall seek approval to make payment from money appropriated for this purpose~~ by submitting a written request to the commissioner of finance. The request shall contain a description of the tort claim precipitating the request, specify the amount of the obligation and be accompanied by copies of judgments, settlement agreements or other documentation relevant to the obligation for which the agency is seeking payment. Upon receipt of the request and review of the claim, the commissioner of finance shall ~~transfer money necessary to pay the obligation to the agency~~ determine the proper appropriation from which to make payment. *If there is sufficient money in an appropriation or combination of appropriations to the agency for its general operations and management to allow the claim to be paid from that source without unduly hindering the operation of the agency, the commissioner shall direct that payment be made from that source. Claims relating to activities paid for by appropriations of dedicated receipts shall be paid from those appropriations if practicable. If the commissioner determines that an agency has sufficient money in these appropriations to pay only part of a claim, the commissioner shall pay the remainder of the claim from the money appropriated to him for this purpose. If the commissioner determines that the agency does not have sufficient money to pay any part of the claim, the commissioner shall pay all of the claim from money appropriated to him for this purpose.* On January 1 and July 1 of each year, the commissioner of finance shall transmit to the legislature and to the chairmen of the house appropriations and senate finance committees copies of all requests in the preceding six months together with a report on the ~~transfers payments~~ made with respect to each request. Payment shall be made only upon receipt of a written release by the claimant in a form approved by the attorney general, or the person designated as the university attorney, as the case may be.

No attachment or execution shall issue against the state.

Sec. 31. Minnesota Statutes 1976, Section 3.98, Subdivision 3, is amended to read:

Subd. 3. A copy of the fiscal note shall be delivered to the chairman of the committee of appropriations of the house of representatives, the chairman of the committee of finance of the senate, the chairman of the standing committee to which the bill has been

referred, to the chief author of the bill and to the commissioner of ~~administration~~ *finance* .

Sec. 32. Minnesota Statutes 1976, Section 3.98, Subdivision 4, is amended to read:

Subd. 4. The commissioner of ~~administration~~ *finance* shall prescribe a uniform procedure to govern the departments and agencies of the state in complying with the requirements of this section.

Sec. 33. Minnesota Statutes 1976, Section 10.15, is amended to read:

10.15 [TIME OF CANCELATION.] No draft or account for a sum in excess of \$25 \$100 shall be canceled until more than six years after the issuance of such draft or the due date of such account, and nothing in sections 10.12 to 10.15 shall be construed as a cancellation or abandonment of the state's claim against the person or corporation against whom the canceled draft was drawn or account held, but the state shall nevertheless have authority to make collection thereof.

Sec. 34. Minnesota Statutes 1976, Section 10A.20, Subdivision 3, as amended by Laws 1978, Chapter 463, Section 52, is amended to read:

Subd. 3. Each report under this section shall disclose:

(a) The amount of liquid assets on hand at the beginning of the reporting period;

(b) The name, address and employer, or occupation if self-employed, of each individual, political committee or political fund who within the year has made one or more transfers or donations in kind to the political committee or political fund, including the purchase of tickets for all fund raising efforts, which in aggregate exceed \$50 for legislative candidates or \$100 for statewide candidates, together with the amount and date of each transfer or donation in kind, and the aggregate amount of transfers and donations in kind within the year from each source so disclosed. A donation in kind shall be disclosed at its fair market value. An approved expenditure is listed as a donation in kind. A donation in kind is considered consumed in the reporting period in which it is received. The names of contributors shall be listed in alphabetical order;

(c) The sum of contributions to the political committee or political fund during the reporting period;

(d) Each loan made or received by the political committee or political fund within the year in aggregate in excess of \$100, continuously reported until repaid or forgiven, together with the name, address, occupation and the principal place of business, if any, of the lender and any endorser and the date and amount of the loan. If any loan made to the principal campaign committee of a candidate is forgiven at any time or repaid by any entity other than that principal campaign committee, it shall be reported as a contribution for the year in which the loan was made;

(e) Each receipt in excess of \$100 not otherwise listed under clauses (b) to (d);

(f) The sum of all receipts of the political committee or political fund during the reporting period;

(g) The name and address of each individual or association to whom aggregate expenditures, including approved expenditures, have been made by or on behalf of the political committee or political fund within the year in excess of \$100, together with the amount, date and purpose of each expenditure and the name and address of, and office sought by, each candidate on whose behalf the expenditure was made and, in the case of independent expenditures made in opposition to a candidate, the name, address and office sought for each such candidate;

(h) The sum of all expenditures made by or on behalf of the political committee or political fund during the reporting period;

(i) The amount and nature of any advance of credit incurred by the political committee or political fund, continuously reported until paid or forgiven. If any advance of credit incurred by the principal campaign committee of a candidate is forgiven at any time by the creditor or paid by any entity other than that principal campaign committee, it shall be reported as a donation in kind for the year in which the advance of credit was incurred;

(j) The name and address of each political committee, political fund, or principal campaign committee to which aggregate transfers in excess of \$100 have been made within the year, together with the amount and date of each transfer;

(k) The sum of all transfers made by the political committee, political fund, or principal campaign committee during the reporting period;

(l) *For principal campaign committees only*, the sum of non-campaign disbursements made in each category listed in section 10 of this act by the political committee, political fund, or principal campaign committee during the reporting period; and

(m) The sum of all noncampaign disbursements made by the political committee, political fund, or principal campaign committee during the reporting period.

Sec. 35. Minnesota Statutes 1976, Section 10A.27, Subdivision 4, as amended by Laws 1978, Chapter 463, Section 78, is amended to read:

Subd. 4. For the purposes of this section, a political party means the aggregate of the party organization within each house of the legislature, *the state party organization*, and the party organization within congressional districts, counties, legislative districts, municipalities, and precincts *each substate unit which elects delegates to the convention of a larger unit or to the national party convention.*

Sec. 36. Minnesota Statutes 1976, Section 10A.32, Subdivision

3, as amended by Laws 1978, Chapter 463, Section 98, is amended to read:

Subd. 3. As a condition of receiving any moneys from the state elections campaign fund, a candidate shall agree by stating in writing to the board that (a) his expenditures and approved expenditures shall not exceed the expenditure limits as set forth in section 10A.25 and that (b) he shall not accept contributions or allow approved expenditures to be made on his behalf for the period beginning with January 1 of the election year or with the registration of his principal campaign committee, whichever occurs later, and ending December 31 of the election year, which aggregate contributions and approved expenditures exceed the difference between the amount which may legally be expended by him or on his behalf, and the amount which he receives from the state elections campaign fund. The agreement, insofar as it relates to the expenditure limits set forth in section 10A.25, remains effective until the dissolution of the principal campaign committee of the candidate or the opening of filings for the next succeeding election to the office held or sought at the time of agreement, whichever occurs first. Beginning in 1980, money in the account of the principal campaign committee of a candidate on January 1 of the election year for the office held or sought shall be considered contributions accepted by that candidate in that year for the purposes of this subdivision. Notwithstanding the effective date of this section, for 1978, the period for determining the aggregate contribution and approved expenditure limit agreed to pursuant to this subdivision shall begin January 1, 1978. That amount of all contributions accepted by a candidate in an election year which equals the amount of noncampaign disbursements made by that candidate in that year, *and the amount of contributions received and approved expenditures made between January 1, 1978, and February 28, 1978 which equals the amount of expenditures made between January 1, 1978, and February 28, 1978, for goods consumed and services used before February 28, 1978*, shall not count toward the aggregate contributions and approved expenditure limit imposed by this subdivision. Any amount by which his aggregate contributions and approved expenditures agreed to under clause (b) exceed the difference shall be returned to the state treasurer in the manner provided in subdivision 2. In no case shall the amount returned exceed the amount received from the state elections campaign fund.

The candidate may submit his signed agreement to the filing officer on the day he files his affidavit of candidacy or petition to appear on the ballot, or he may submit the agreement to the board no later than September 1.

The board prior to the first day of filing for office shall forward forms for the agreement to all filing officers. The filing officer shall without delay forward signed agreements to the board. An agreement may not be rescinded after September 1.

For the purposes of this subdivision only, the total amount to be distributed to each candidate is calculated to be his share of the

total estimated funds in his party account as provided in subdivision 3a, plus the total amount estimated as provided in subdivision 3a to be in the general account of the state elections campaign fund and set aside for that office divided by the number of candidates whose names are to appear on the general election ballot for that office. If for any reason the amount actually received by the candidate is greater than his share of the estimate, and his contributions thereby exceed the difference, the agreement shall not be considered violated.

Sec. 37. Minnesota Statutes 1976, Chapter 16A, is amended by adding a section to read:

[16A.276] [CASH OVERAGE AND SHORTAGE ACCOUNT.] *The commissioner of finance may establish accounts to record on a daily basis discrepancies between actual cash receipts and recorded cash receipts including losses from forged and uncollectible checks. At the end of each fiscal year, these accounts shall be cleared by transferring balances to the general fund and paying all deficits from the operating accounts of the various agencies generating the deficit. A report of all these adjustments shall be made to the legislative audit commission upon closing the books of account each fiscal year.*

Sec. 38. Minnesota Statutes 1976, Chapter 16A, is amended by adding a section to read:

[16A.281] [LEGISLATIVE APPROPRIATIONS.] *Section 16A.28 is inapplicable to appropriations made to the legislature, the senate, the house of representatives or its committees or commissions. An appropriation made to the legislature, the senate, the house of representatives or their standing committees for a fiscal biennium or any part thereof shall be available for expenditure in either year of the biennium or for the fiscal year preceding or following the biennium. An appropriation made to a committee or commission of the legislature if unexpended during the first year of a fiscal biennium is available for expenditure during the second year thereof, but any unexpended balance remaining at the end of the biennium shall lapse and be returned to the fund from which appropriated.*

Sec. 39. Minnesota Statutes 1976, Section 16A.60, is amended to read:

16A.60 [COMMISSIONER OF FINANCE TO REIMBURSE GENERAL FUND.] *The commissioner of finance is directed to deduct or reserve, as authorized from time to time by law, shall transfer from the highway user tax distribution fund to the general fund a sufficient sum of money which shall constitute a special account for the payment of to reimburse the general fund for the costs of collecting the taxes provided for in Article 14 of the Constitution of the State of Minnesota and for payment of refunds of such taxes as is authorized by law. A sum of money sufficient for such purpose is appropriated from the highway user tax distribution fund. Thereafter all moneys in the highway user tax distribution fund not needed to reimburse such special account*

for money paid out of such special account for refunds and collection costs shall be transferred as provided in Article 14 of the Constitution of the State of Minnesota .

Sec. 40. Minnesota Statutes 1976, Section 43.064, is amended to read:

43.064 [OTHER SALARIES SET BY COMMISSIONER OF PERSONNEL.] Notwithstanding any other law to the contrary, salaries for all unclassified positions in the executive branch not enumerated in the listing described in section 15A.081, shall be established by the commissioner of personnel except for the following: (1) positions listed in section 15A.083; (2) positions listed in section 299D.03; (3) employees in the office of the governor whose salaries shall be determined by the governor; (4) employees in the office of the attorney general; (5) positions in the state university system, the community college system, and in the higher education coordinating board whose primary duties consist of instructing and counseling students, directing academic programs of schools, divisions or departments of colleges and community colleges , or conducting research on academic subjects , *and the positions of state university presidents* . Individual salaries for positions enumerated in clauses (4) and (5) shall be determined by the attorney general, the state university board, the state board for community colleges, and the higher education coordinating board, respectively, within the limits of salary plans which shall have been approved by the commissioner of personnel before becoming effective.

No provision of any subsequent law relating to salaries of state employees shall be construed as inconsistent with this section unless it is expressly provided in such subsequent act that the provisions of this section shall not be applicable or shall be superseded, amended, or repealed.

Sec. 41. Minnesota Statutes, 1977 Supplement, Section 43.067, Subdivision 1, is amended to read:

43.067 [SALARY LIMITS.] Subdivision 1. [AGENCY HEADS AND DEPUTIES.] The base salary of the head of any state department or other agency in the executive branch shall serve as the upper limit of compensation in the agency. *The base salary of the chancellor of the state university system is the upper limit of compensation of state university presidents.* Within the agency, no person other than the agency head shall be paid more than the base salary that is or would be paid a deputy agency head pursuant to section 15A.081 whether or not there is a deputy agency head position for that agency.

Sec. 42. Minnesota Statutes 1976, Section 43.12, is amended by adding a subdivision to read:

Subd. 27. Notwithstanding the provisions of this section or any other law to the contrary, the commissioner of personnel may establish a system of incentive commission rates for those state employees engaged in the sale of products manufactured or processed at state adult correctional institutions.

Sec. 43. Minnesota Statutes 1976, Section 60A.13, Subdivision 7, is amended to read:

Subd. 7. [EXCEPTIONS.] ~~(1)~~ To file statement. No fraternal beneficiary association, nor any social corporation paying only sick benefits not exceeding \$250 in any one year, or funeral benefits, or aiding those dependent on a member not more than \$350, nor any subordinate lodge or council which is, or whose members are, assessed for benefits which are payable by a grand body, shall be required to make such statements.

~~(2)~~ To prepare abstract and publish. The commissioner shall not be required to prepare abstracts of the annual statement of fraternal beneficiary associations and reciprocal or interinsurance exchanges, nor shall such associations or exchanges be required to publish an abstract or summary of the statement.

Sec. 44. Minnesota Statutes 1976, Section 60A.14, Subdivision 1, is amended to read:

60A.14 [FEES.] Subdivision 1. [FEES OTHER THAN EXAMINATION FEES.] In addition to the fees and charges provided for examinations, there shall be paid to the commissioner, and by him accounted for and paid into the state treasury, the following fees:

(1) By township mutual fire insurance companies:

(a) For filing certificate of incorporation \$25 and amendments thereto, \$10;

(b) For filing annual statements, \$15;

(c) For each annual certificate of authority, \$15;

(d) For filing bylaws \$25 and amendments thereto, \$10.

(2) By other domestic and foreign companies including fraternal and reciprocal exchanges:

(a) For filing certified copy of certificate of articles of incorporation, \$50;

(b) For filing annual statement, \$30;

(c) For filing certified copy of amendment to certificate or articles of incorporation, \$50;

(d) For filing bylaws or amendments thereto, \$10;

(e) Each company's certificate of authority, \$30, annually ;

~~(f) For abstract or summary of annual statement for publication when prepared by commissioner, \$50 .~~

(3) General fees: (a) For each certificate, including certified copy of certificate of authority, renewal, valuation of life policies, corporate condition or qualification, \$5;

(b) For each copy of paper on file in his office 50 cents per page, and \$2.50 for certifying the same;

(c) For license to procure insurance in unadmitted foreign companies, \$10;

(d) For receiving and forwarding each notice, proof of loss, summons, complaint or other process served upon the commissioner of insurance, as attorney for service of process upon any non-resident agent or insurance company, including reciprocal exchanges, \$5 (which amount shall be paid by the party serving same and may be taxed as other costs in the action);

(e) For valuing the policies of life insurance companies, one cent per one thousand of insurance so valued; (the commissioner may, in lieu of a valuation of the policies of any foreign life insurance company admitted, or applying for admission, to do business in this state, accept a certificate of valuation from such company's own actuary or from the commissioner of insurance of the state or territory in which such company shall be domiciled);

(f) For receiving and filing certificates of policies by the company's actuary, or by the commissioner of insurance of any other state or territory, \$50;

(g) For issuing a non-resident agent's license, \$10;

(h) For taking an examination for one line of insurance, \$10 and an additional \$10 for each examination for an additional line of insurance or for re-examination in any one line;

(i) For each new agent's license requested or for the requested renewal of an existing agent's license, the insurer shall remit \$3; and for each amendment requested on the license, the insurer shall remit \$1.

(4) All fees received by the commissioner pursuant to the provisions of this section shall be paid by him into the state treasury.

Sec. 45. Minnesota Statutes 1976, Section 62A.149, Subdivision 1, is amended to read:

62A.149 [BENEFITS FOR ALCOHOLICS AND DRUG DEPENDENTS.] Subdivision 1. ~~No policy or plan of insurance regulated under this chapter, or subscriber contract offered by a nonprofit health service plan corporation regulated under chapter 62C shall be delivered, issued, executed or renewed in this state, or approved for issuance or renewal in this state by the commissioner of insurance unless the policy, plan or contract specifically includes and provides health service benefits to any subscriber or other person covered thereunder, on the same basis as other benefits, for the treatment of alcoholism, chemical dependency or drug addiction in~~ *The provisions of this section shall apply to all group policies of accident and health insurance and group subscriber contracts offered by nonprofit health service plan corporations regulated under chapter 62C when the policies or subscriber contracts are issued or delivered in Minnesota or provide benefits to Minnesota residents enrolled thereunder.*

Every group insurance policy or group subscriber contract included within the provisions of this subdivision, upon issuance or

renewal, shall provide for payment of benefits for the treatment of alcoholism, chemical dependency or drug addiction to any Minnesota resident entitled to coverage thereunder on the same basis as coverage for other benefits when treatment is rendered in

(1) a licensed hospital,

(2) a residential treatment program as licensed by the state of Minnesota pursuant to diagnosis or recommendation by a doctor of medicine,

(3) a non-residential treatment program approved or licensed by the state of Minnesota.

~~Provided, however, that the restrictions and requirements of this subdivision shall not apply to any plan or policy which is individually underwritten or provided for a specific individual and the members of his family as a non-group policy.~~

Sec. 46. Minnesota Statutes, 1977 Supplement, Section 120.17, Subdivision 7a, is amended to read:

Subd. 7a. [ATTENDANCE AT SCHOOL FOR THE HANDICAPPED.] Responsibility for special instruction and services for a visually disabled or hearing impaired child attending the Minnesota school for the deaf or the Minnesota braille and sight-saving school shall be determined in the following manner:

(a) The legal residence of the child shall be the school district in which his parent or guardian resides.

(b) When it is determined pursuant to section 128A.05, subdivisions 1 or 2 that the child is entitled to attend either school, the state board shall provide the appropriate educational program for the child. The state board shall make a tuition charge to the child's district of residence for the actual cost of providing the program; provided, however, that the amount of tuition charged shall not exceed \$2,000 for any school year. The district of the child's residence shall pay the tuition and may claim foundation aid for the child. All tuition so received shall be deposited in the state treasury.

(c) When it is determined that the child can benefit from public school enrollment but that the child should also remain in attendance at the applicable school, the school district where the institution is located shall provide an appropriate educational program for the child and shall make a tuition charge to the state board for the actual cost of providing the program, less any amount of aid received pursuant to section 124.32. The state board shall pay the tuition and other program costs including the unreimbursed transportation costs. Aids for handicapped children shall be paid to the district providing the special instruction and services. Special transportation shall be provided by the district providing the educational program and the state shall reimburse such district within the limits provided by law †.

(d) Notwithstanding the provisions of clauses (b) and (c), the state board may agree to make a tuition charge for less than the

amount specified in clause (b) for pupils attending the applicable school who are residents of the district where the institution is located and who do not board at the institution, if that district agrees to make a tuition charge to the state board for less than the amount specified in clause (c) for providing appropriate educational programs to pupils attending the applicable school.

(e) Notwithstanding the provisions of clauses (b) and (c), the state board may agree to supply staff from the Minnesota school for the deaf and the Minnesota braille and sight-saving school to participate in the programs provided by the district where the institutions are located when the programs are provided to students in attendance at the state schools.

Sec. 47. Minnesota Statutes 1976, Section 120.17, Subdivision 9, is amended to read:

Subd. 9. [SPECIAL INSTRUCTION.] After August 15, 1977, no resident of a district who is eligible for special instruction and services pursuant to this section shall be denied provision of this instruction and service on a shared time basis because of attendance at a nonpublic school defined in section 123.932, subdivision 3. Nothing in this subdivision shall be construed to prevent any school district from providing special instruction and services pursuant to section 120.17 on a shared time basis prior to August 15, 1977.

(1) Except as provided in clause (2), no school district shall deny provision of special instruction and services pursuant to this section on a shared time basis to any handicapped child who attends a nonpublic school, as defined in section 123.932, subdivision 3, which is located within the district. The district shall provide necessary transportation within the district for handicapped pupils who are provided special instruction and services on a shared time basis. Notwithstanding the provisions of section 124.212, subdivision 9a, if a handicapped nonpublic school pupil is not a resident of the district of attendance which provides him special instruction and services pursuant to this subdivision, the district of attendance shall claim the pupil as a resident for state aid purposes and state aid shall be paid to the district of attendance. The unreimbursed actual cost of providing the special instruction and services may be billed to the district of the child's residence and shall be paid by the resident district. The tuition rate shall be subject to appeal to the commissioner by the resident district according to the provisions of subdivision 4. Prior to October 1 or 30 days after the commencement of the provision of special instruction and services pursuant to this subdivision, whichever is later in the school year, the providing district shall give notice to the district of residence of its intention to bill the resident district for the unreimbursed costs of the special instruction and services.

(2) If both districts agree that special instruction and services can be provided to a handicapped nonpublic school pupil more appropriately by his district of residence than by the district where the nonpublic school is located, the district of residence

may provide the special instruction and services. If the nonpublic school is located in a contiguous district, the district of residence may transport the pupil between the nonpublic school and an educational facility in the district of residence for this purpose.

(3) This subdivision shall only apply to Minnesota resident handicapped children.

Sec. 48. Minnesota Statutes 1976, Section 125.183, is amended by adding a subdivision to read:

Subd. 6. The board may reimburse local school districts for the costs of substitute teachers employed when regular teachers are providing professional assistance to the state by serving on the board or on a committee or task force appointed by the board and charged to make recommendations concerning standards for teacher licensure in this state.

Sec. 49. Minnesota Statutes, 1977 Supplement, Section 136A.55, is amended to read:

136A.55 [POST-SECONDARY EDUCATION CONSORTIUM; CREATION.] *Subdivision 1.* There is hereby created a post-secondary education consortium for southwestern and west central Minnesota which shall have its principal office at southwest state university at Marshall. The purpose of the consortium shall be to improve the efficiency and effectiveness of post-secondary education, through increased interinstitutional cooperation and planning, in the area served by southwest state university and the university of Minnesota at Morris.

Subd. 2. The consortium shall be coordinated by a southwestern and west central Minnesota post-secondary education consortium board consisting of: the provost of the university of Minnesota, or his designee; the chancellor of the state university system, or his designee; the chancellor of the community college system, or his designee; the assistant commissioner for vocational-technical education within the state department of education, or his designee; the executive director of the higher education coordinating board, or his designee; and three persons representing the public at large who shall be appointed by the governor.

Subd. 3. The board shall appoint an advisory committee consisting of: the provost at the university of Minnesota at Morris; the presidents of southwest state university and the community colleges at Willmar and Worthington; the directors of the vocational-technical institutes located in the area served; and seven citizen members who shall be residents of the area served by southwest state university. The citizen members shall be appointed for terms of two years, except that three of the initial appointments shall be for terms of one year. No more than one citizen member shall be appointed from a county.

Subd. 4. The board is authorized to hire staff and incur other expenses as necessary for the purposes of ~~Laws 1977, Chapter 449~~ *this section. Staff members are in the unclassified service and*

subject to the provisions of chapters 43 and 352. All expenditures are subject to the requirements of chapter 16A .

Sec. 50. Minnesota Statutes 1976, Section 222.50, Subdivision 3, is amended to read:

Subd. 3. The director shall have the power to:

(a) Set priorities for the allocation of money or in kind contributions to railroads according to criteria developed by the director. The criteria shall include the anticipated economic and social benefits to the state and to the area being served;

(b) Negotiate and enter into contracts for rail line rehabilitation or other rail service improvement;

(c) Disburse state and federal money for rail service improvements;

(d) Adopt rules necessary to carry out the purposes of sections 222.46 to 222.54 ; and

(e) *Acquire elm railroad ties manufactured by Stillwater state prison inmates and disperse them by sale, lease or otherwise to be used in rail line rehabilitation. The director may negotiate with rail companies concerning the use of the ties .*

Sec. 51. [LOAN TO DEPARTMENT OF CORRECTIONS.] *The department of corrections may borrow from the rail service improvement account in the state treasury up to \$150,000 in one loan to be paid back in three equal annual installments with the final payment due three years from the date of the loan. The loan proceeds shall be used to establish a program for converting diseased elm trees into railroad ties at Stillwater state prison.*

Sec. 52. Minnesota Statutes 1976, Section 242.385, is amended to read:

242.385 [THE MINNESOTA CORRECTIONAL FACILITY-LINO LAKES.] Subdivision 1. There is hereby established the Minnesota metropolitan training center *Correctional Facility-Lino Lakes* , at Lino Lakes, Minnesota, to which may be delivered ~~for training and treatment~~ *children and youth persons* committed to the commissioner of corrections by the juvenile courts of this state who, in the opinion of the commissioner, may benefit from the programs available thereat. The general control and management of the ~~training and treatment center facility~~ shall be under the commissioner of corrections.

Sec. 53. Minnesota Statutes, 1977 Supplement, Section 298.28, Subdivision 1, is amended to read:

298.28 [DIVISION AND DISTRIBUTION OF PROCEEDS.] Subdivision 1. The proceeds of the taxes collected under section 298.24, except the tax collected under section 298.24, subdivision 2, shall, upon certificate of the commissioner of revenue to the general fund of the state, be paid by the commissioner of revenue as follows:

(1) 2.5 cents per gross ton of merchantable iron ore concentrate, hereinafter referred to as "taxable ton", to the city or town in which the lands from which taconite was mined or quarried were located or within which the concentrate was produced. If the mining, quarrying, and concentration, or different steps in either thereof are carried on in more than one taxing district, the commissioner shall apportion equitably the proceeds of the part of the tax going to cities and towns among such subdivisions upon the basis of attributing 40 percent of the proceeds of the tax to the operation of mining or quarrying the taconite, and the remainder to the concentrating plant and to the processes of concentration, and with respect to each thereof giving due consideration to the relative extent of such operations performed in each such taxing district. His order making such apportionment shall be subject to review by the tax court of appeals at the instance of any of the interested taxing districts, in the same manner as other orders of the commissioner.

(2) 12.5 cents per taxable ton to the taconite municipal aid account in the apportionment fund of the state treasury, to be distributed as provided in section 298.282.

(3) 29 cents per taxable ton to school districts to be distributed as follows:

(a) 6 cents per taxable ton to the school districts in which the lands from which taconite was mined or quarried were located or within which the concentrate was produced. The commissioner shall follow the apportionment formula prescribed in clause (1).

(b) 23 cents per taxable ton, less any amount distributed under part (c), shall be distributed to a group of school districts comprised of those school districts wherein the taconite was mined or quarried or the concentrate produced or in which there is a qualifying municipality as defined by section 273.134 or in which is located property which is entitled to the reduction of tax pursuant to section 273.135, subdivision 2, clause (c). The 23 cents, less any amount distributed under part (c), shall be distributed in direct proportion to school district tax levies as follows: each district shall receive that portion of the total distribution which its permitted levy for the prior year, computed pursuant to section 275.125, comprises of the sum of permitted levies for the prior year for all qualifying districts, computed pursuant to section 275.125. That portion of the amount so distributed to a school district which is not deducted from state aids in section 124.212, subdivision 8a, shall be included in computing the permissible levies under section 275.125. For purposes of distributions pursuant to this part, permitted levies for the prior year computed pursuant to section 275.125 shall not include the amount of any increased levy authorized by referendum pursuant to section 275.125, subdivision 2a, clause (4).

(c) There shall be distributed to any school district the amount which the school district was entitled to receive under section 298.32 in 1975.

(4) 19.5 cents per taxable ton to counties to be distributed as follows:

(a) 15.5 cents per taxable ton shall be distributed to the county in which the taconite is mined or quarried or in which the concentrate is produced, less any amount which is to be distributed pursuant to part (b). The commissioner shall follow the apportionment formula prescribed in clause (1).

(b) If an electric power plant owned by and providing the primary source of power for a taxpayer mining and concentrating taconite is located in a county other than the county in which the mining and the concentrating processes are conducted, one cent per taxable ton of the tax distributed to the counties pursuant to part (a) and imposed on and collected from such taxpayer shall be distributed by the commissioner of revenue to the county in which the power plant is located.

(c) 4 cents per taxable ton shall be paid to the county from which the taconite was mined, quarried or concentrated to be deposited in the county road and bridge fund. If the mining, quarrying and concentrating, or separate steps in any of those processes are carried on in more than one county, the commissioner shall follow the apportionment formula prescribed in clause (1).

(5) (a) 25.75 cents per taxable ton, less any amount required to be distributed under part (b), to the taconite property tax relief account in the apportionment fund in the state treasury, to be distributed as provided in sections 273.134 to 273.136.

(b) If an electric power plant owned by and providing the primary source of power for a taxpayer mining and concentrating taconite is located in a county other than the county in which the mining and the concentrating processes are conducted, .75 cent per taxable ton of the tax imposed and collected from such taxpayer shall be distributed by the commissioner of revenue to the county and school district in which the power plant is located as follows: 25 percent to the county and 75 percent to the school district.

(6) 1 cent per taxable ton to the state.

(7) 3 cents per taxable ton shall be deposited in the state treasury to the credit of the iron range resources and rehabilitation board account in the special revenue fund for the purposes of section 298.22. Of this amount, one cent per taxable ton is to be used to provide environmental development grants to local governments located within any county in region 3 as defined in governor's executive order number 60 issued on June 12, 1970, which does not contain a municipality qualifying pursuant to section 273.134.

(8) the amounts determined under clauses (4) (a), (4) (c), and (5) shall be increased in 1979 and subsequent years in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1.

(9) the proceeds of the tax imposed by section 298.24 which remain after the distributions in clauses (1) to (8) and parts (a),

(b), (c), and (d) of this clause have been made shall be divided between the taconite environmental protection fund created in section 298.223 and the northeast Minnesota economic protection fund created in section 298.292 as follows: In 1978, 1979, 1980, 1981, and 1982, two-thirds to the taconite environmental protection fund and one-third to the northeast Minnesota economic protection fund; in 1983 and thereafter, one-half to each fund. The proceeds shall be placed in the respective special accounts in the general fund.

(a) In 1978 and each year thereafter, there shall be distributed to each city, town, school district, and county the amount that they received under section 294.26 in calendar year 1977.

(b) In 1978 and each year thereafter, there shall be distributed to the iron range resources and rehabilitation board the amounts it received in 1977 under section 298.22.

(c) In 1978 and each year thereafter, \$50,000 shall be distributed to the department of revenue for auditing and enforcing the production tax imposed by Laws 1977, Chapter 423, Article 10.

(d) In 1978 and 1979, \$150,000 shall be distributed to the department of revenue for the purpose of administering section 298.48. In 1980 and each year thereafter, \$100,000 shall be distributed to the department of revenue. On or before October 10 of each calendar year each producer of taconite or iron sulphides subject to taxation under section 298.24 (hereinafter called "taxpayer") shall file with the commissioner of revenue and with the county auditor of each county in which such taxpayer operates, and with the chief clerical officer of each school district, city or town which is entitled to participate in the distribution of the tax, an estimate of the amount of tax which would be payable by such taxpayer under said law for such calendar year; provided such estimate shall be in an amount not less than the amount due on the mining and production of concentrates up to September 30 of said year plus the amount becoming due because of probable production between September 30 and December 31 of said year, less any credit allowable as hereinafter provided. Such estimate shall list the taxing districts entitled to participate in the distribution of such tax, and the amount of the estimated tax which would be distributable to each such district in the next ensuing calendar year on the basis of the last percentage distribution certified by the commissioner of revenue. If there be no such prior certification, the taxpayer shall set forth its estimate of the proper distribution of such tax under the law, which estimate may be corrected by the commissioner if he deems it improper, notice of such correction being given by him to the taxpayer and the public officers receiving such estimate. The officers with whom such report is so filed shall use the amount so indicated as being distributable to each taxing district in computing the permissible tax levy of such county, city or school district in the year in which such estimate is made, and payable in the next ensuing calendar year, except that in 1978 and 1979 two cents per taxable ton, and in 1980 and thereafter, one cent per taxable ton of the amount distributed under clause (4) (c) shall not be deducted in calculat-

ing the permissible levy. Such taxpayer shall then pay, at the times payments are required to be made pursuant to section 298.27, as the amount of tax payable under section 298.24, the greater of (a) the amount shown by such estimate, or (b) the amount due under said section as finally determined by the commissioner of revenue pursuant to law. If, as a result of the payment of the amount of such estimate, the taxpayer has paid in any calendar year an amount of tax in excess of the amount due in such year under section 298.24, after application of credits for any excess payments made in previous years, all as determined by the commissioner of revenue, the taxpayer shall be given credit for such excess amount against any taxes which, under said section, may become due from the taxpayer in subsequent years. In any calendar year in which a general property tax levy subject to sections 275.125 or 275.50 to 275.59 has been made, if the taxes distributable to any such county, city or school district are greater than the amount estimated to be paid to any such county, city or school district in such year, the excess of such distribution shall be held in a special fund by the county, city or school district and shall not be expended until the succeeding calendar year, and shall be included in computing the permissible levies under sections 275.125 or 275.50 to 275.59, of such county, city or school district payable in such year. If the amounts distributable to any such county, city or school district, after final determination by the commissioner of revenue under this section are less than the amounts indicated by such estimates, such county, city or school district may issue certificates of indebtedness in the amount of the shortage, and may include in its next tax levy, in excess of the limitations of sections 275.125 or 275.50 to 275.59 an amount sufficient to pay such certificates of indebtedness and interest thereon, or, if no certificates were issued, an amount equal to such shortage.

There is hereby annually appropriated to such taxing districts as are stated herein, to the taconite property tax relief account and to the taconite municipal aid account in the apportionment fund in the state treasury, to the department of revenue, to the iron range resources and rehabilitation board, to the taconite environmental protection fund, and to the northeast Minnesota economic protection fund, from any fund or account in the state treasury to which the money was credited, an amount sufficient to make the payment or transfer. The payment of the amount appropriated to such taxing districts shall be made by the commissioner of revenue on or before May 15 annually.

Sec. 54. Minnesota Statutes, 1977 Supplement, Section 473.591, Subdivision 3, is amended to read:

Subd. 3. [PROCEEDS; USE.] The collections of the tax, less refunds and a proportionate share of the cost of collection, shall be remitted at least quarterly to the council. *The commissioner of revenue shall deduct from the proceeds remitted to the council an amount that equals the indirect statewide costs as well as the direct and indirect department costs necessary to administer, audit, and collect this tax. The amount deducted shall be de-*

posited in the general fund of the state. The proceeds remitted shall be placed, together with the net revenues of the commission under section 473.595, into the debt service fund or special funds established under section 473.581, subdivisions 4 and 5, provided however that during the first year the tax is imposed pursuant to this section the council may reappropriate to the commission a total amount not to exceed one-half of the proceeds from the first year of the tax, to be used by the commission to pay its expenses related to planning, designing, and locating sports facilities pursuant to sections 473.551 to 473.595. Collection of the tax imposed by this section shall be suspended at the end of any calendar year upon a determination by the metropolitan council that the balance in the debt service fund, including any reserve fund has reached an amount sufficient to pay the principal and interest on bonds which will become due within the next succeeding three year period. Collection shall be resumed by the commissioner of revenue at the end of any calendar year upon notice from the metropolitan council that the balance in the debt service fund, including any reserve fund has fallen below an amount sufficient to pay the principal and interest on bonds which will become due within the next succeeding two year period.

Sec. 55. Laws 1976, Chapter 337, Section 1, Subdivision 2, is amended to read:

Subd. 2. The council shall consist of five members of the house of representatives appointed by the speaker, five members of the senate appointed by the committee on committees, and eight ~~twelve~~ citizens appointed by the governor. At least 50 percent of those appointed by the governor and by the speaker of the house shall be women. Members shall serve ~~until the expiration date of this act~~ for two years or until the expiration of their legislative terms. The compensation of nonlegislator members, their removal from office and the filling of vacancies shall be as provided in section 15.059. The persons appointed by the governor shall be representative of a range of economic interests and vocations and shall include persons who are not regularly employed on a full-time or part-time basis outside their homes.

Sec. 56. Laws 1976, Chapter 337, Section 1, Subdivision 4, is amended to read:

Subd. 4. The council shall report its findings and recommendations to the governor and the legislature not later than December 15, 1977, and shall supplement its findings and recommendations not later than June 30, 1978, and June 30, 1979. The report shall recommend any necessary changes in laws and programs designed to enable women to achieve full participation in the economy. The report shall also recommend methods to encourage the development of coordinated, interdepartmental goals and objectives and the coordination of programs, services and facilities among all state departments and public and private providers of services related to children, youth and families.

Sec. 57. Laws 1976, Chapter 337, Section 4, is amended to read:

Sec. 4. [EXPIRATION DATE.] Sections 1 and 2 of this act shall be effective May 1, 1976 and shall expire June 30, 1978 1979. Section 3 of this act shall be effective July 1, 1976.

Sec. 58. Laws 1977, Chapter 421, Section 13, is amended by adding a subdivision to read:

Subd. 11. [EMPLOYEE STATUS.] Persons employed by a state agency and paid from an appropriation in subdivision 10, are in the unclassified service and their continued employment is contingent upon the availability of money from the appropriation.

Sec. 59. [EDUCATION; REORGANIZATION.] *The commissioner of education with the approval of the commissioner of finance may change the composition of budgetary programs and activities in order to be consistent with the functional organization of the department following the reorganization authorized by the department of administration in January, 1978. No transfer shall be made until the commissioner of education has submitted a plan specifying the relationship between the appropriations made by Laws 1977, Chapter 449, Section 2 and the purposes for which the money is to be expended and encumbered to the chairman of the senate finance committee and the chairman of the house appropriations committee, and the chairmen have made their recommendations thereon.*

Sec. 60. [EDUCATION; FEDERAL MONEY.] *Subdivision 1. In preparing its biennial budget request for fiscal years 1980 and 1981, the department of education shall plan to spend the federal money specified in this section, including any federal money formerly allocated for indirect costs, only for the purposes indicated in this section. Where federal law requires any of this money to be spent for a purpose not indicated in this section, the budget request shall comply with the federal requirement and make a note of it in the explanation of budget request. This section is not intended to restrict the department in requesting state money for any of the purposes for which this federal money was formerly used or for which this section requires it to be used in the future.*

Subd. 2. Federal money received for state vocational education programs pursuant to the Vocational Education Act of 1963, Part B, as amended, and required to be used for vocational education of the disadvantaged and handicapped shall be used only for grants and not for state administrative costs. This does not limit the use of grant money by a school district for its own administrative costs if otherwise permitted by federal law. The remainder not required to be used for eliminating sex bias in vocational education shall be used for grants for post-secondary vocational categorical aid.

Subd. 3. Federal money received pursuant to the Elementary and Secondary Education Act of 1965, Title 4C, as amended, shall be used as a source of money for the venture fund of the Council on Quality Education and, to the extent allowed by federal law, for grants for early childhood and family education made by the Council on Quality Education.

Subd. 4. Federal money received pursuant to the Elementary

and Secondary Education Act of 1965, Title 48, as amended, may be used either for grants or for administrative costs, but only in the instructional services budget activity. This does not limit the use of grant money by a school district for pupil personnel services, evaluation, or any other purpose authorized by federal law.

Subd. 5. Federal money received pursuant to the Library Services and Construction Act, as amended, shall be used for the payment of grants and not for state administrative costs.

Sec. 61. [COUNCIL ON QUALITY EDUCATION; REPORT.] *The state board of education, in consultation with the council on quality education (CQE), shall develop and submit to the legislature by January 1, 1979 a plan, including proposed legislation, to alter the makeup of the CQE the minimum amount necessary to permit it to serve as the Title 4 advisory council. The CQE should retain a majority of lay members, but should not exceed 30 members. The CQE should be responsible for administering the Title 4C grant program, subject to final authority of the state board of education. The plan should allow for the CQE to be consulted in the selection of its staff.*

Sec. 62. [USE OF EXCESS FUEL AND UTILITY FUNDS FOR ENERGY RELATED PROJECTS.] *All other provisions of law notwithstanding, the state university board is authorized to transfer funds appropriated to its maintenance and equipment account for fuel and utility purposes to its repair and betterment account to finance energy-related repairs or betterments, provided that such funds are not required for fuel and utility purposes, the commissioner of finance concurs in each transfer made pursuant to this authority, and provided that the commissioner of finance secures the approval of the chairmen of the senate finance and house appropriations committees for the amount and purpose of each transfer.*

Sec. 63. [CARRY FORWARD OF H.E.C.B. WORK-STUDY, AND CONSORTIUM AND UNIVERSITY MEDICAL CONTINGENT APPROPRIATIONS.] *Notwithstanding any other law to the contrary, any unexpended balance remaining the first year in Laws 1977, Chapter 449, Section 3, Subdivisions 5 and 9 and Section 6, Subdivision 9, shall not cancel but shall be available for the second year of the biennium.*

Sec. 64. [MEDICAL LABORATORY FEE.] *The handling fee of \$1.50 per specimen proposed by the department of health pursuant to Laws 1977, Chapter 453, Section 6, Subdivision 2, is approved and shall be charged from July 1, 1978 to June 30, 1979.*

Sec. 65. [NURSING HOME RATES.] *The reasonable costs to nursing homes of complying with section 144A.611 shall not be subject to any limits on nursing home rates established pursuant to section 256.B.47, subdivision 1.*

Sec. 66. [CERTIFICATE OF NEED.] *Notwithstanding the provisions of sections 145.71 to 145.83, the authority to promulgate rules governing the Minnesota certificate of need act is transferred from the state planning agency to the commissioner of*

health. All rules heretofore promulgated by the state planning agency pursuant to sections 145.71 to 145.83 shall remain in full force and effect until modified or repealed by the commissioner.

Sec. 67. [PUBLIC WELFARE DATA PROCESSING SERVICES FUND.] *Subdivision 1. Until June 30, 1981, the public welfare data processing services fund is established within the state treasury.*

The following receipts for services provided by the department of public welfare shall be deposited in the treasury and credited to the public welfare data processing services fund:

(a) receipts from state agencies, county welfare boards, community mental health boards and other governmental units for whom services have been performed through the use of equipment under the control of the department of public welfare or for production through a system of the department of public welfare;

(b) receipts from the other state governments or private firms in this state for whom the services described in (a) above are performed under formal agreements with the state of Minnesota;

(c) receipts from other accounts of the department of public welfare for the service of key entry documents into machine readable code.

All money in the state treasury credited to the public welfare data processing services fund is annually appropriated to the commissioner of public welfare to be used for the purpose of paying for supplies, expenses and employee salaries and fringe benefit costs necessary in providing the data processing services.

Billing for a service shall be based on the calculated reasonable cost of performing the service. An excess of receipts in the public welfare data processing services fund shall occasion an adjustment of charges for services performed. The adjustments may include credit for prior work performed where the prior rate exceeds the cost by more than ten percent.

Billings to other state agencies or other accounts of the department of public welfare shall be processed in accordance with the department of finance interdepartmental procedure used by other state agency revolving funds. In addition, the commissioner of public welfare may require from state agencies, county welfare boards, and other governmental units for whom services are being performed advance payments to this fund sufficient to cover the department's or agency's estimated obligation for a period of at least 60 days.

Subd. 2. The commissioner of public welfare shall report in the biennial budget document on the finances and operations of the public welfare data processing services fund.

Sec. 68. [LEGISLATIVE COMMISSION ON PRIORITIES.] *Subdivision 1. [MEMBERS.] The legislative commission on priorities consists of the following 18 members: Six members of the senate and three members of the public appointed by the sub-*

committee on committees, and six members of the house and three members of the public appointed by the speaker. The members shall elect a chairperson to serve for a two year term, to be succeeded by a chairperson from the other body. Members of the legislature shall serve for their term of office and members of the public shall serve for the terms of members of the house, unless earlier replaced by their appointing authority. Compensation of public members shall be as provided for members of advisory committees in Minnesota Statutes, Section 15.059.

Subd. 2. [DEVELOPMENT OF LIST.] The commission shall develop a list of priority matters that should be addressed by the legislature and its standing committees in the following five year period. The list shall allocate priority matters to each of the five years. The primary effort of the commission shall be to identify problems that need to be addressed by the legislature and rank their importance against one another, rather than to develop specific solutions to those problems. The commission shall seek the broadest possible citizen advice in identifying problems, and shall employ the most rigorous factual analysis in ranking these problems in the order of their importance to the people of the state as a whole. In this analysis, the commission shall consider, among other factors, (1) the relative degree of interest throughout the state in the matter, (2) the urgency of the matter, (3) the degree to which the matter has not been adequately addressed in prior legislation, (4) the degree to which the matter will improve the well-being of residents of the state generally, (5) the possible adverse effects upon particular persons or resources in the state, and (6) the degree to which legislative intervention is appropriate and desirable. In developing its list of priorities, the commission shall consult with and consider the recommendations of the chairmen and members of standing committees.

Subd. 3. [REPORT.] Following agreement upon its list of priorities, the commission shall refer the priority matters to the chairman of the senate committee on rules and administration, the speaker of the house, and the appropriate standing committees for development of the necessary legislation, or shall cause legislation to be drafted and introduced, as appropriate. The commission shall report to the legislature its recommendations in this regard by the first day of the regular session in each year, and may make preliminary reports before then.

Subd. 4. [STAFF; SERVICES.] The legislative coordinating commission shall provide the commission with office space and administrative support services. The legislative commission on priorities may call upon the services of existing legislative staff for the period when those services are necessary. The legislative coordinating commission and the standing committees shall assist the commission on priorities by making these staff available to it. To the extent it is not possible to use existing legislative staff, the commission may hire additional staff and contract for specialized professional and technical services.

Subd. 5. [APPROPRIATION.] The sum of \$200,000 is appro-

priated to the legislative commission on priorities for the period ending June 30, 1979, to be used for the purposes of this section.

Subd. 6. [EXPIRATION.] This section expires June 30, 1981.

Sec. 69. [REPEALER.] Minnesota Statutes 1976, Sections 3.732, Subdivision 4; 16.171; 60A.13, Subdivisions 3 and 4; 162.19; 325.64; 325.65; 325.66; 325.67; 325.68; 325.69; 325.70; 325.71; 325.72; 325.73; 325.74; 325.75; 325.76; and 363.122, are repealed.

Sec. 70. [EFFECTIVE DATE.] This act is effective the day following final enactment, except that section 47 is effective July 1, 1978."

Further, amend the title by striking it and inserting:

"A bill for an act relating to the organization and operation of state government; clarifying, supplementing, and providing for deficiencies in appropriations for the expenses of state government with certain conditions; providing for payment of claims; shortening time for cancellation of certain drafts; authorizing fees and special accounts in certain cases; transferring duties and appropriations; requiring certain insurance coverage; providing for use of prison industry in railroad rehabilitation; extending existence of advisory council on economic status of women; limiting use of certain federal money by the department of education; creating a legislative commission on priorities; appropriating money; amending Minnesota Statutes 1976, Sections 3.736, Subdivision 7; 3.98, Subdivisions 3 and 4; 10.15; 16A.60; 43.064; 43.067, Subdivision 1; 43.12, by adding a subdivision; 60A.13, Subdivision 7; 60A.14, Subdivision 1; 62A.149, Subdivision 1; 120.17, Subdivision 9; 125.183, by adding a subdivision; 136A.155; 222.50, Subdivision 3; 242.385; Chapter 16A, by adding sections; Minnesota Statutes, 1977 Supplement, Sections 10A.20, Subdivision 3, as amended; 10A.27, Subdivision 4, as amended; 10A.32, Subdivision 3, as amended; 120.17, Subdivision 7a; 298.28, Subdivision 1; and 473.591, Subdivision 3; amending Laws 1976, Chapter 337, Sections 1, Subdivisions 1 and 4; and 4; amending Laws 1977, Chapter 421, Section 13, by adding a subdivision; repealing Minnesota Statutes 1976, Sections 3.732, Subdivision 4; 16.171; 60A.13, Subdivisions 3 and 4; 162.19; 325.64 to 325.76; and 363.122."

The motion prevailed. So the amendment was adopted.

Mr. Humphrey moved to amend H. F. No. 2527, as amended by the Senate March 13, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 2404.)

Page 51, after line 12, insert:

"Sec. 69. [GRANTS-IN-AID TO YOUTH INTERVENTION PROGRAMS.] *Subdivision 1. The crime control planning board may make grants to nonprofit agencies administering youth intervention programs in communities where such programs are or may be established.*

"Youth intervention program" means a nonresidential community based program providing advocacy, education, counseling, and referral services to youth and their families experiencing personal, familial, school, legal or chemical problems with the goal of resolving the present problems and preventing the occurrence of such problems in the future.

Subd. 2. [APPLICATIONS.] Applications for the grant-in-aid shall be made by the administering agency to the crime control planning board. The grant-in-aid shall be contingent upon the agency having obtained from the community in which the youth intervention program is established local matching funds two times the amount of the grant which is sought.

The crime control planning board shall provide by rule the application, procedures for making application, criteria for review of the application, and kinds of contributions in addition to cash which qualify as local matching funds. No grant to any agency shall exceed \$25,000.

Sec. 70. [APPROPRIATION.] \$250,000 is appropriated for the biennium ending June 30, 1979 from the general fund to the crime control planning board for the purpose of providing grants to youth intervention programs pursuant to section 69."

Renumber the sections in sequence

The motion prevailed. So the amendment was adopted.

Mr. Menning moved to amend H. F. No. 2527, as amended by the Senate March 13, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 2404.)

Pages 49 to 51, strike all of section 68

Renumber the sections in sequence

Amend the title as follows:

Lines 15 and 16, strike "creating a legislative commission on priorities;"

The question was taken on the adoption of the amendment.

Mr. Coleman moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 29 and nays 29, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Knoll	Olhoft	Sieloff
Bernhagen	Gunderson	Laufenburger	Olson	Tennessee
Brataas	Jensen	Lessard	Pillsbury	Ueland, A.
Chmielewski	Keefe, J.	McCutcheon	Purfeerst	Ulland, J.
Davies	Kirchner	Menning	Renneke	Wegener
Engler	Knaak	Ogdahl	Schrom	

Those who voted in the negative were:

Benedict	Humphrey	Merriam	Schaaf	Stokowski
Borden	Johnson	Moe	Schmitz	Strand
Coleman	Keefe, S.	Nelson	Setzepfandt	Stumpf
Dieterich	Kleinbaum	Penny	Solon	Vega
Gearty	Lewis	Perpich	Spear	Willet
Hanson	Luther	Peterson	Staples	

The motion did not prevail. So the amendment was not adopted.

Mr. Tennesen moved to amend H. F. No. 2527, as amended by the Senate March 13, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 2404.)

Page 49, line 12, strike "18" and insert "30"

Page 49, line 12, strike "six" and insert "15"

Page 49, line 13, strike "*and three members of the public*"

Page 49, line 14, strike "six" and insert "15"

Page 49, line 15, strike "*and three members of the public*"

Page 49, lines 19 and 20, strike "*and members of the public shall serve for the terms of members of the house*"

Page 49, line 21, strike "*Compensation of*"

Page 49, strike lines 22 and 23

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 29 and nays 28, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Knoll	Purfeerst	Spear
Benedict	Humphrey	Luther	Renneke	Staples
Bernhagen	Jensen	Menning	Schrom	Tennesen
Brataas	Keefe, J.	Ogdahl	Setzepfandt	Ueland, A.
Chmielewski	Kirchner	Olhoft	Sieloff	Wegener
Davies	Knaak	Pillsbury	Solon	

Those who voted in the negative were:

Borden	Hanson	McCutcheon	Perpich	Stumpf
Chenoweth	Johnson	Merriam	Peterson	Ulland, J.
Dieterich	Keefe, S.	Moe	Schaaf	Vega
Frederick	Kleinbaum	Nelson	Schmitz	Willet
Gearty	Laufenburger	Olson	Stokowski	
Gunderson	Lessard	Penny	Strand	

The motion prevailed. So the amendment was adopted.

Mr. Keefe, J. moved to amend H. F. No. 2527, as amended by the Senate March 13, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 2404.)

Pages 19 and 20, strike subdivision 4 and insert:

"Subd. 4. For the purposes of this section, a political party means the aggregate of the ~~party organization within each house of the legislature~~ *state party organization*, and the party organization within ~~congressional districts, counties, legislative districts, municipalities, and precincts~~ *each substate unit which elects delegates to the convention of a larger unit or to a national party convention.*"

The motion did not prevail. So the amendment was not adopted.

Mr. Kleinbaum moved to amend H. F. No. 2527, as amended by the Senate March 13, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 2404.)

Page 51, line 15 strike everything after "162.19;"

Page 51, line 16, strike everything before "and"

Amend the title as follows:

Page 1, line 35, strike "325.64 to 325.76;"

The question was taken on the adoption of the amendment.

Mr. Moe moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 21 and nays 31, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Laufenburger	Renneke	Wegener
Bernhagen	Jensen	Olson	Sieloff	
Brataas	Kirchner	Penny	Solon	
Chmielewski	Kleinbaum	Peterson	Ueland, A.	
Engler	Knaak	Pillsbury	Ulland, J.	

Those who voted in the negative were:

Benedict	Johnson	Menning	Schaaf	Stumpf
Chenoweth	Keefe, J.	Merriam	Schmitz	Tennesen
Davies	Keefe, S.	Moe	Schrom	Willet
Dieterich	Knoll	Nelson	Setzepfandt	
Gearty	Lessard	Ogdahl	Spear	
Gunderson	Lewis	Olhoff	Staples	
Hanson	Luther	Perpich	Strand	

The motion did not prevail. So the amendment was not adopted.

Mr. Schaaf moved to amend H. F. No. 2527, as amended by the Senate March 13, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 2404.)

Page 12, after line 23, insert:

"The commissioner of transportation shall not approve any grant under this appropriation until the transit commission submits a plan for expenditure of the grant money which the commissioner determines to be consistent with (a) the purposes set

forth in section 50, subdivision 1 of this act, and (b) the findings of the commissioner under section 50, subdivision 4 of this act.”

Page 33, after line 25, insert

“Sec. 50. Minnesota Statutes 1976, Chapter 174, is amended by adding a section to read:

[174.29] [SERVICE FOR PERSONS UNABLE TO USE REGULAR PUBLIC OR PRIVATE TRANSPORTATION.] *Subdivision 1. [PURPOSE AND INTENT.] It is the purpose and intent of this section*

(a) to assure that those citizens of this state who are unable by reason of age or incapacity to use regular means of private or public transportation shall have reasonable access to transportation service necessary to permit them to be active, productive, self-supporting and healthy citizens and

(b) to promote the most effective use of available public and private resources to achieve the purposes set forth in clause (a).

Subd. 2. [COORDINATION OF EFFORTS.] The commissioner of transportation shall coordinate public and private efforts designed or intended to provide transportation service to the citizens described in subdivision 1, clause (a), in order to achieve the purposes set forth in subdivision 1. Every state or local public agency that assists or participates in the operation or financing of such service, including reimbursement for transportation which is incidental to other services or assistance provided by the agency, shall cooperate with the commissioner in the manner which he may request in order to carry out his duties under this section.

Subd. 3. [COORDINATION OF FEDERAL AND STATE ASSISTANCE.] The commissioner shall identify all federal and state programs providing financial assistance for transportation service for persons described in subdivision 1, clause (a), including transportation incidental to other assistance provided under any program. The commissioner and any state agency administering an identified program shall enter an agreement assuring that the commissioner may exercise the authority necessary to carry out his coordinating duties under this section with respect to that program. The agreement may provide for review and approval by the commissioner of all applications by political subdivisions or other public or private agencies for assistance under the identified program.

Subd. 4. [AGENCIES PROVIDING SERVICE IN THE METROPOLITAN AREA.] The commissioner shall identify the local public and private agencies, including profit and nonprofit agencies, that currently provide transportation service to the persons described in subdivision 1, clause (a), who reside in the metropolitan area as defined in section 473.121, subdivision 2, or that provide financial assistance to providers or users of such service. The commissioner shall identify the number of persons and the geographic areas served or assisted by each agency, the type of service or assistance provided and the amount and source of funds expended

for that service. The commissioner shall then identify the geographic areas and populations not adequately provided with service and the types of service not adequately provided under existing programs.

Subd. 5. [FORMULATION OF PLAN.] The commissioner after public hearings shall formulate a plan for achieving the purposes set forth in subdivision 1. The plan shall give particular emphasis to achieving those purposes in the metropolitan areas as defined in section 473.121, subdivision 2, and shall take into account the findings made by the commissioner pursuant to subdivision 4.

After the formulation of the plan: (a) the commissioner shall not approve any application for state assistance or approve or favorably review any application for federal assistance to any transportation project or program not consistent with that plan and (b) any plan or program of the Twin Cities area metropolitan transit commission designed or intended to provide transportation service to the persons described in subdivision 1, clause (a), shall be consistent with that plan."

Renumber the sections in sequence

Correct internal references

Amend the title as follows:

Page 1, line 24, after "sections;" insert "Chapter 174, by adding a section;"

The motion prevailed. So the amendment was adopted.

Mrs. Brataas moved to amend H. F. No. 2527, as amended by the Senate March 13, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 2404.)

Page 51, after line 12, insert:

"Sec. 69. [ROCHESTER, CITY OF; CIVILIAN POLICE POSITIONS.] Subdivision 1. Notwithstanding the provisions of any other law to the contrary, the city of Rochester may employ within its police department administrative assistants, auto mechanics, clerk typists, communication supervisors, identification technicians, parking meter attendants, police dispatchers, property officers, research assistants, and secretaries to be employed within the police department, but who shall not be subject to the rules and regulations or jurisdiction of the police civil service commission or be eligible to be members in or to receive benefits from the policemen's relief association. The city shall by ordinance provide for benefits and for procedures in the hiring, and dismissal of employees excluded from the jurisdiction of the police civil service commission.

Subd. 2. This section is effective upon approval by the governing body of the city of Rochester and compliance with Minnesota Statutes, Section 645.021."

Renumber the sections in sequence

Amend the title as follows:

Line 16, after "priorities;" insert "transferring certain positions from the jurisdiction of the Rochester police civil service commission;"

The motion prevailed. So the amendment was adopted.

Mr. Ulland, J. moved to amend H. F. No. 2527, as amended by the Senate March 13, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 2404.)

Page 19, after line 25, insert:

"Sec. 35. Minnesota Statutes 1976, Section 10A.27, Subdivision 1, as amended by Laws 1978, Chapter 463, Section 76, is amended to read:

10A.27 [ADDITIONAL LIMITATIONS.] Subdivision 1. ~~No political committee, political fund, or individual, except a political party or the principal campaign committee of a candidate shall make expenditures on behalf or in opposition to the opponent of a candidate, or transfer funds to the principal campaign committee of a candidate, in an amount in excess of ten percent of the amount that may be spent by or on behalf of that candidate as set forth in section 10A.25. Except as provided in subdivisions 2, 2a, and 6, no candidate shall permit his principal campaign committee to accept contributions from any individual, political committee, or political fund in excess of the following:~~

(a) To candidates for governor and lieutenant governor running together, \$60,000 in an election year for the office sought and \$12,000 in other years;

(b) To a candidate for attorney general, \$10,000 in an election year for the office sought and \$2,000 in other years;

(c) To a candidate for the office of secretary of state, state treasurer or state auditor, \$5,000 in an election year for the office sought and \$1,000 in other years;

(d) To a candidate for state senator, \$1,500 in an election year for the office sought and \$300 in other years; and

(e) To a candidate for state representative, \$750 in an election year for the office sought and \$150 in the other year.

Sec. 36. Minnesota Statutes 1976, Section 10A.27, Subdivision 2, as amended by Laws 1978, Chapter 463, Section 77, is amended by adding a subdivision to read:

Subd. 2a. No candidate shall permit his principal campaign committee to accept contributions or loans from a principal campaign committee of any candidate who has agreed to receive a public subsidy or public money under section 10A.32. The limitation of this subdivision shall continue for as long as the agreement

contained in section 10A.32, subdivision 3 or 10A.32, subdivision 3b apply to that candidate.

Sec. 37. Minnesota Statutes 1976, Section 10A.28, Subdivision 2, as amended by Laws 1978, Chapter 463, Section 84, is amended to read:

Subd. 2. A candidate who permits his principal campaign committee to accept contributions in excess of the limits imposed by section 10A.27 or who permits his principal campaign committee to accept a contribution or loan in violation of section 10A.27, subdivision 2a shall be subject to a civil fine of up to four times the amount by which the contribution or loan exceeded the limits.

Section 38. Minnesota Statutes, 1976, Section 10A.32, Subdivision 3, as amended by Laws 1978, Chapter 463, Sections 98, 99, and 100 is amended by adding a subdivision to read:

Subd. 3c. As a condition of receiving a public subsidy for his election campaign in the form of tax credits against the tax due from individuals who contribute to his principal campaign committee or public moneys from the state elections campaign fund, a candidate shall not permit his principal campaign committee to make a contribution or loan to any principal campaign committee or to make an independent expenditure on behalf of any other candidate. The limitation of this subdivision shall be included in the written agreement of section 10A.32, subdivision 3 and section 10A.32, subdivision 3b. Any individual who knowingly violates this subdivision is guilty of a misdemeanor.

Sec. 39. Minnesota Statutes, 1976, Section 10A.28, Subdivision 1, as amended by Laws 1978, Chapter 463, Section 84, is amended to read:

10A.28 [PENALTY FOR EXCEEDING LIMITS.] Subdivision 1. A candidate subject to the expenditure limits of section 10A.25 who permits his principal campaign committee to make expenditures or permits approved expenditures to be made on his behalf in excess of the limits imposed by section 10A.25 and 10A.27 or who permits his principal campaign committee to make a contribution, loan, or independent expenditure in violation of section 10A.32, subdivision 3c shall be subject to a civil fine up to four times the amount by which its expenditure the expenditures, contribution, loan, or independent expenditure exceeded the limit."

Renumber the sections in sequence

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 17 and nays 38, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Kirchner	Pillsbury	Ulland, J.
Bernhagen	Frederick	Knaak	Renneke	
Brataas	Jensen	Merriam	Sieloff	
Dieterich	Keefe, J.	Ogdahl	Ueland, A.	

Those who voted in the negative were:

Benedict	Humphrey	McCutcheon	Peterson	Strand
Borden	Johnson	Menning	Schaaf	Stumpf
Chenoweth	Keefe, S.	Moe	Schmitz	Tennessee
Chmielewski	Knoll	Nelson	Schrom	Vega
Davies	Laufenburger	Olhoff	Setzepfandt	Wegener
Gearty	Lessard	Olson	Solon	Willet
Gunderson	Lewis	Penny	Staples	
Hanson	Luther	Perpich	Stokowski	

The motion did not prevail. So the amendment was not adopted.

Mr. Ashbach moved to amend H. F. No. 2527, as amended by the Senate March 13, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 2404.)

Page 3, strike lines 24 and 25

Renumber the subdivisions accordingly

The motion did not prevail. So the amendment was not adopted.

Mr. Ashbach moved to amend H. F. No. 2527, as amended by the Senate March 13, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 2404.)

Page 42, after line 2 insert:

"Sec. 54. Minnesota Statutes, 1977 Supplement, Section 473.552, is amended to read:

473.552 [LEGISLATIVE POLICY; PURPOSE.] The legislature finds that the population in the metropolitan area has a need for sports facilities and that this need cannot be met adequately by the activities of individual municipalities, or by agreements among municipalities ; or by the private efforts of the people in the metropolitan area. It is therefore necessary for the public health, safety and general welfare to establish a procedure for the acquisition and betterment of sports facilities and to create a metropolitan sports facilities commission .

Sec. 55. Minnesota Statutes, 1977 Supplement, Section 473.571, Subdivision 1, is amended to read:

473.571 [LOCATION AND DESIGN SELECTION.] Subdivision 1. [COMMISSION RESPONSIBILITY.] The commission shall determine the location and design specifications for new or remodeled sports facilities in the metropolitan area. *The agreements pursuant to section 473.581, subdivision 3, clauses (a) and (b), shall be executed prior to December 1, 1978. The agreements shall be reviewed by the chairman of the house and senate tax committees. If the agreements are determined satisfactory by the chairman, the on-sale liquor tax pursuant to section 473.591 shall remain in effect.*

Sec. 56. Sections 54 and 55 are effective in the counties of

Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington."

Renumber the sections accordingly

Amend the title as follows:

Line 29, after "1;" insert "473.552; 473.571, Subdivision 1;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 19 and nays 32, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Knaak	Sieloff	Ulland, J.
Benedict	Jensen	Renneke	Spear	Vega
Bernhagen	Keefe, J.	Schmitz	Stumpf	Willet
Engler	Kirchner	Schrom	Ueland, A.	

Those who voted in the negative were:

Borden	Johnson	Menning	Perpich	Stokowski
Chmielewski	Keefe, S.	Merriam	Peterson	Strand
Coleman	Knoll	Moe	Pillsbury	Tennessee
Gearty	Laufenburger	Nelson	Schaaf	Wegener
Gunderson	Lessard	Olhoff	Setzepfandt	
Hanson	Lewis	Olson	Solon	
Humphrey	Luther	Penny	Staples	

The motion did not prevail. So the amendment was not adopted.

H. F. No. 2527 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Benedict	Gunderson	Lessard	Perpich	Staples
Bernhagen	Hanson	Lewis	Peterson	Stokowski
Borden	Humphrey	Luther	Pillsbury	Strand
Brataas	Johnson	McCutcheon	Renneke	Stumpf
Chenoweth	Keefe, J.	Menning	Schaaf	Tennessee
Chmielewski	Keefe, S.	Moe	Schmitz	Ueland, A.
Davies	Kirchner	Nelson	Schrom	Ulland, J.
Dieterich	Kleinbaum	Ogdahl	Setzepfandt	Vega
Engler	Knaak	Olhoff	Sieloff	Wegener
Frederick	Knoll	Olson	Solon	Willet
Gearty	Laufenburger	Penny	Spear	

So the bill, as amended, passed and its title was agreed to.

Without objection, the Senate reverted to the Order of Business of Messages From the House and First Reading of House Bills.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H. F. No. 2270.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted March 13, 1978

FIRST READING OF HOUSE BILLS

The following bill was read the first time and referred to the committee indicated.

H. F. No. 2270: A bill for an act relating to peace officers and constables; requiring training and licensing for all peace officers; requiring training and licensing for constables; establishing the position of deputy constable; amending Minnesota Statutes 1976, Sections 367.03, Subdivisions 1 and 3; 367.22; 382.28; 626.843, by adding a subdivision; Chapter 367, by adding sections; and Minnesota Statutes, 1977 Supplement, Sections 626.84; 626.843, Subdivisions 1 and 3; 626.845; 626.846, Subdivisions 1, 2 and 3, and by adding subdivisions; 626.847; 626.848; and 626.851, Subdivision 2; repealing Minnesota Statutes, 1977 Supplement, Section 626.853.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 2248 now on General Orders.

MOTIONS AND RESOLUTIONS—CONTINUED

Mrs. Staples moved that S. F. No. 2143 be taken from the table. The motion prevailed.

Mrs. Staples moved that S. F. No. 2143 be placed at the top of General Orders. The motion prevailed.

Mrs. Staples moved that H. F. No. 2098 be taken from the table. The motion prevailed.

Mrs. Staples moved that H. F. No. 2098 be referred to the Committee on Rules and Administration for comparison with S. F. No. 2143.

Mr. Laufenburger moved that S. F. No. 1848 be stricken from the Calendar and placed at the top of General Orders. The motion prevailed.

Mr. Coleman moved that the Senate do now adjourn until 1:00 o'clock p.m., Tuesday, March 14, 1978. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

NINETY-FIRST DAY

St. Paul, Minnesota, Tuesday, March 14, 1978

The Senate met at 1:00 o'clock p.m. and was called to order by the President.

CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate. The following Senators answered to their names:

Ashbach	Gearty	Lewis	Pillsbury	Spear
Benedict	Gunderson	Luther	Purfeerst	Staples
Bernhagen	Hanson	McCutcheon	Renneke	Stumpf
Brataas	Hughes	Moe	Schmitz	Ueland, A.
Chmielewski	Kirchner	Nelson	Schrom	Vega
Coleman	Kleinbaum	Ogdahl	Setzepfandt	Willet
Davies	Knutson	Olson	Sieloff	
Dieterich	Laufenburger	Penny	Sikorski	
Engler	Lessard	Peterson	Sillers	

The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Monsignor Terrence Murphy.

The roll was called, and the following Senators answered to their names:

Anderson	Gearty	Knutson	Olson	Sillers
Ashbach	Gunderson	Laufenburger	Penny	Solon
Benedict	Hanson	Lessard	Perpich	Spear
Bernhagen	Hughes	Lewis	Peterson	Staples
Borden	Humphrey	Luther	Pillsbury	Stokowski
Brataas	Jensen	McCutcheon	Purfeerst	Strand
Chenoweth	Johnson	Menning	Renneke	Stumpf
Chmielewski	Keefe, J.	Merriam	Schaaf	Tennessee
Coleman	Keefe, S.	Moe	Schmitz	Ueland, A.
Davies	Kirchner	Nelson	Schrom	Ulland, J.
Dieterich	Kleinbaum	Nichols	Setzepfandt	Vega
Engler	Knaak	Ogdahl	Sieloff	Wegener
Frederick	Knoll	Olhoft	Sikorski	Willet

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

MEMBERS EXCUSED

Messrs. Bang and Dunn were excused from the Session of today.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned:

S. F. Nos. 403, 1282, 1656, 2183, 1285, 1635 and 1636.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 13, 1978

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted:

H. F. Nos. 449, 2461, 2516, 1819, 2341, 2374, 2010, 2047, 2147, 2451, 1091, 1950, 2050, 2075, 1943, 2002, 2086, 1945, 2124, 2218, 2223, 1476, 1799, 2188, 2146, 2246, 1227, 2445, 1995, 2248, 2291 and 2307.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 13, 1978

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. 1727: A bill for an act relating to state parks; deleting certain lands from the boundaries of Itasca state park; amending Laws 1976, Chapter 110, Section 2, Subdivision 2.

Senate File No. 1727 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 13, 1978

CONCURRENCE AND REPASSAGE

Mr. Moe moved that the Senate concur in the amendments by the House to S. F. No. 1727 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1727 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 57 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Laufenburger	Peterson	Stokowski
Ashbach	Hanson	Lessard	Pillsbury	Strand
Benedict	Hughes	Lewis	Purfeerst	Stumpf
Bernhagen	Humphrey	Luther	Renneke	Tennessee
Borden	Jensen	Menning	Schmitz	Ueland, A.
Brataas	Johnson	Moe	Schrom	Ulland, J.
Chenoweth	Keefe, J.	Nelson	Setzenfandt	Vega
	Kirchner	Nichols	Sieloff	Wegener
Davies	Kleinbaum	Olson	Sikorski	Willet
Engler	Knaak	Olhoft	Sillers	
Frederick	Knoll	Olson	Spear	
Gearty	Knutson	Penny	Staples	

Mr. Dieterich voted in the negative.

So the bill, as amended, was repassed and its title was agreed to.

MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1690: A bill for an act relating to the Minneapolis-Saint Paul metropolitan airports commission; providing a maximum amount and funding terms for commission debt; amending Minnesota Statutes 1976, Section 473.667, Subdivisions 2 and 4, and by adding a subdivision.

Senate File No. 1690 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned March 13, 1978

CONCURRENCE AND REPASSAGE

Mr. Lewis moved that the Senate concur in the amendments by the House to S. F. No. 1690 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1690 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 58 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Coleman	Hanson	Kirchner	Lessard
Ashbach	Dieterich	Hughes	Kleinbaum	Lewis
Benedict	Engler	Humphrey	Knaak	Luther
Bernhagen	Frederick	Jensen	Knoll	McCutcheon
Brataas	Gearty	Johnson	Knutson	Menning
Chmielewski	Gunderson	Keefe, J.	Laufenburger	Moe

Nelson	Peterson	Setzepfandt	Staples	Ulland, J.
Nichols	Pillsbury	Sieloff	Stokowski	Vega
Ogdahl	Purfeerst	Sikorski	Strand	Wegener
Olhoft	Renneke	Sillers	Stumpf	Willet
Olson	Schmitz	Solon	Tennessen	
Penny	Schrom	Spear	Ueland, A.	

Mr. Davies voted in the negative.

So the bill, as amended, was repassed and its title was agreed to.

MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1616: A bill for an act relating to probate; enacting the Uniform International Wills Act; amending Minnesota Statutes 1976, Chapter 524, by adding sections.

Senate File No. 1616 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 13, 1978

CONCURRENCE AND REPASSAGE

Mr. Davies moved that the Senate concur in the amendments by the House to S. F. No. 1616 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1616: A bill for an act relating to probate; enacting the Uniform International Wills Act; specifying the appropriate county for purposes of publication; clarifying the duration of letters of appointment; providing for probate court jurisdiction; protecting certain good faith purchasers; amending Minnesota Statutes 1976, Sections 524.1-201; 524.3-306; 524.3-310; 524.3-1003; Chapter 524, by adding sections; and Minnesota Statutes, 1977 Supplement, Sections 524.3-105 and 524.3-714.

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 37 and nays 16, as follows:

Those who voted in the affirmative were:

Benedict	Gearty	Johnson	Moe	Perpich
Bernhagen	Gunderson	Knoll	Nelson	Purfeerst
Chmielewski	Hanson	Laufenburger	Nichols	Schmitz
Coleman	Hughes	Lewis	Olhoft	Setzepfandt
Davies	Humphrey	Luther	Olson	Sikorski
Dieterich	Jensen	Menning	Penny	Spear

Stokowski Strand	Stumpf Tennessee	Vega	Wegener	Willet
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Those who voted in the negative were:

Ashbach	Keefe, J.	Lessard	Renneke	Sillers
Brataas	Knaak	Ogdahl	Schrom	Ueland, A.
Engler	Knutson	Pillsbury	Sieloff	Ulland, J.
Frederick				

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. 1662: A bill for an act relating to commerce; redefining "banking day"; amending Minnesota Statutes 1976, Section 336.4-104.

Senate File No. 1662 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 13, 1978

CONCURRENCE AND REPASSAGE

Mr. Davies moved that the Senate concur in the amendments by the House to S. F. No. 1662 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1662: A bill for an act relating to commerce; regulating interest rates; providing loan yield computations; providing investigation powers; redefining "banking day"; amending Minnesota Statutes 1976, Sections 51A.39, Subdivision 1; 334.02; 334.03; 336.4-104; Minnesota Statutes, 1977 Supplement, Section 47.20, Subdivisions 2, 4, and 13.

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 57 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Coleman	Hanson	Knaak	McCutcheon
Benedict	Davies	Hughes	Knoll	Menning
Bernhagen	Dieterich	Jensen	Knutson	Merriam
Borden	Engler	Johnson	Laufenburger	Moe
Brataas	Frederick	Keefe, J.	Lessard	Nelson
Chenoweth	Gearty	Keefe, S.	Lewis	Nichols
Chmielewski	Gunderson	Kirchner	Luther	Olhoft

Olson	Purfeerst	Sieloff	Strand	Vega
Penny	Renneke	Sikorski	Stumpf	Willet
Perpich	Schmitz	Spear	Tennessee	
Peterson	Schrom	Staples	Ueland, A.	
Pillsbury	Setzepfandt	Stokowski	Ulland, J.	

So the bill, as amended, was repassed and its title was agreed to.

FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H. F. No. 449: A bill for an act relating to game and fish; licensing and regulating the taking, sale and possession of minnows; permitting the use of tip-ups; amending Minnesota Statutes 1976, Sections 97.40, Subdivision 12; 97.45, Subdivision 15; 98.46, Subdivision 5, and by adding a subdivision; 98.52, Subdivisions 2 and 3; 101.41, by adding a subdivision; and 101.42, Subdivisions 11 and 20.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 526 now on General Orders.

H. F. No. 2461: A bill for an act relating to public utilities; telephone companies; assessment for costs of regulation; amending Minnesota Statutes 1976, Chapter 237, by adding a section; repealing Minnesota Statutes 1976, Section 237.29, as amended.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 2081 now on General Orders.

H. F. No. 2516: A bill for an act relating to certain commercial transactions; amending provisions of the uniform commercial code governing investment securities and related provisions; amending Minnesota Statutes 1976, Sections 336.1-201; 336.5-114; 336.8-102; 336.8-103; 336.8-104; 336.8-105; 336.8-106; 336.8-107; 336.8-201; 336.8-202; 336.8-203; 336.8-204; 336.8-205; 336.8-206; 336.8-207; 336.8-208; 336.8-301; 336.8-302; 336.8-303; 336.8-304; 336.8-305; 336.8-306; 336.8-307; 336.8-308; 336.8-309; 336.8-310; 336.8-311; 336.8-312; 336.8-313; 336.8-314; 336.8-315; 336.8-316; 336.8-317; 336.8-318; 336.8-319; 336.8-320; 336.8-401; 336.8-402; 336.8-403; 336.8-404; 336.8-405; 336.8-406; 336.9-103; 336.9-203; 336.9-302; 336.9-304; 336.9-305; 336.9-309; 336.9-312; and Chapter 336, by adding sections; Minnesota Statutes, 1977 Supplement, Section 336.9-105.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 2048 now on General Orders.

H. F. No. 1819: A bill for an act relating to workers' compensation; providing for the coverage of certain farm and business owners and employees; amending Minnesota Statutes, 1977 Supplement, Section 176.012.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1753 now on General Orders.

H. F. No. 2341: A bill for an act relating to the city of St. Paul; providing and authorizing issuance of general obligation bonds for capital improvement budget purposes; amending Laws 1971, Chapter 773, Section 1, as amended.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 2239 now on General Orders.

H. F. No. 2374: A bill for an act relating to labor and employment; employee wage deductions; amending Minnesota Statutes, 1977 Supplement, Section 181.79, Subdivision 1.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 2372 now on General Orders.

H. F. No. 2010: A bill for an act relating to municipal elections; providing for the hours of voting; establishing procedures for establishing candidacy; establishing filing fees; providing for the printing of election materials and ballots; providing for publication and posting of sample ballots; amending Minnesota Statutes 1976, Sections 205.021; 205.03; 205.13; 205.14, Subdivisions 1 and 3; and 205.16, Subdivision 2, and by adding a subdivision; repealing Minnesota Statutes 1976, Section 365.60.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 2139 now on General Orders.

H. F. No. 2047: A bill for an act relating to the city of Minneapolis; modifying the certification procedure for vacancies in the classified service.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1901 now on General Orders.

H. F. No. 2147: A bill for an act relating to commerce; credit unions; authorizing approval of lines of credit by credit committees; amending Minnesota Statutes 1976, Sections 52.10 and 52.16.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 2158 now on General Orders.

H. F. No. 2451: A bill for an act relating to elections; providing that public facilities be available for precinct caucuses; fixing the charge for their use; providing for the filing of certain nominating petitions; amending Minnesota Statutes 1976, Chapter 202A, by adding a section; and Section 202A.65, Subdivision 3.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 2308 now on General Orders.

H. F. No. 1091: A bill for an act relating to waters; permitting the establishment of rural water user districts.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 954 now on General Orders.

H. F. No. 1950: A bill for an act relating to the practice of dentistry; amending Minnesota Statutes 1976, Sections 150A.03, Subdivision 1; 150A.06, Subdivisions 1, 2, 2a, and 4; 150A.08, Subdivision 1; and 150A.09, by adding subdivisions.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 2181 now on General Orders.

H. F. No. 2050: A bill for an act providing for positions in the unclassified service of the city of Minneapolis; amending Laws 1969, Chapter 937, Section 1, Subdivision 1, as amended and by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1905 now on General Orders.

H. F. No. 2075: A bill for an act relating to employments licensed by the state; requiring the services of a licensed architect, engineer, surveyor or landscape architect for the supervision, erection or alteration of buildings and structures exceeding certain specified costs; requiring compliance with applicable building codes and ordinances; prescribing certain duties of the licensing board; amending Minnesota Statutes 1976, Sections 326.03, Subdivisions 1 and 2; and 326.06.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 2075 now on General Orders.

H. F. No. 1943: A bill for an act relating to fire and related insurance; permitting cancellation of fire and related insurance policies only under certain circumstances; requiring notice of reason for cancellation or nonrenewal; amending Minnesota Statutes 1976, Section 65A.01, by adding subdivisions.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1618 now on General Orders.

H. F. No. 2002: A bill for an act relating to Hennepin county; authorizing the county board to self-insure against claims of liability.

Referred to the Committee on Commerce.

H. F. No. 2086: A bill for an act relating to education; authorizing school districts to operate buses for nonpupils attending school events in other public school districts; amending Minnesota Statutes 1976, Section 123.39, by adding a subdivision.

Referred to the Committee on Education.

H. F. No. 1945: A bill for an act relating to veterans; classification of records; amending Minnesota Statutes 1976, Section 197.603.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1788 now on General Orders.

H. F. No. 2124: A bill for an act relating to corrections; providing for the licensing of correctional facilities; prohibiting the introduction of contraband or weapons into correctional facilities; providing penalties; amending Minnesota Statutes 1976, Sections 241.021, Subdivision 1; 260.185, Subdivision 1; 641.09; 641.165; and 641.18.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1926 now on General Orders.

H. F. No. 2218: A bill for an act relating to the tax court; providing for review of certain tax matters by the tax court; modifying procedures that condition the right to prosecute the tax matter; specifying qualifications of judges; providing for administration of the tax court; amending Minnesota Statutes 1976, Sections 274.19, Subdivisions 4 and 5; 277.011, Subdivision 3; 278.03; 356.30, by adding a subdivision; and Minnesota Statutes, 1977 Supplement, Sections 271.01, by adding a subdivision; 271.02; 271.04; 271.06, Subdivision 2; 277.011, Subdivision 1; and 278.01.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1885 now on General Orders.

H. F. No. 2223: A bill for an act relating to Hennepin county municipal court; authorizing the establishment of suburban court locations; amending Minnesota Statutes 1976, Section 488A.01, Subdivision 9.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 2281 now on General Orders.

H. F. No. 1476: A bill for an act relating to municipalities; hospital, nursing home and health care facilities; authorizing municipalities to include refinancing of existing indebtedness in the cost of a project; amending Minnesota Statutes 1976, Sections 447.35; 447.45, Subdivision 1; 447.47; 474.01, by adding a subdivision; 474.02, by adding a subdivision; 474.03; and 474.06.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1839 now on General Orders.

H. F. No. 1799: A bill for an act relating to the city of Albert Lea; authorizing the annexation of certain land located outside the city limits.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1648 now on General Orders.

H. F. No. 2188: A bill for an act relating to drivers' licenses; providing for automatic reinstatement of nonresident driving privilege in certain circumstances; providing limited protection to a resident whose driving privilege in another state has been suspended or revoked; amending Minnesota Statutes 1976, Section 171.15; and Chapter 171, by adding a section.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 2148 now on General Orders.

H. F. No. 2146: A bill for an act relating to insurance; regulating minimum nonforfeiture benefits and reserves of insurance policies and annuity contracts; amending Minnesota Statutes 1976, Sections 61A.08; 61A.21; 61A.24, Subdivisions 1, 9, and 11; 61A.25, Subdivisions 3, 3a, 4, 5, 6, 7, and by adding a subdivision; and Chapter 61A, by adding a section.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1983 now on General Orders.

H. F. No. 2246: A bill for an act relating to counties; providing for business days and hours for county offices and emergency closings; concerning the investment of county funds; amending Minnesota Statutes 1976, Sections 373.052 and 385.07.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 2154 now on General Orders.

H. F. No. 1227: A bill for an act relating to commerce; providing for deposits of public funds in thrift institutions; amending Minnesota Statutes 1976, Sections 51A.21, by adding a subdivision; 118.005; 118.01; 118.09; 118.11; and 118.16; repealing Minnesota Statutes 1976, Section 118.17.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1130 now on General Orders.

H. F. No. 2445: A bill for an act relating to commerce; requiring certain disclosures by foreign currency exchanges operated at airports; providing remedies.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 2300 now on General Orders.

H. F. No. 1995: A bill for an act relating to credit life and accident and health insurance; requiring notice of right to cancel and receive refund upon prepayment of indebtedness; amending Minnesota Statutes, 1977 Supplement, Section 62B.05.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1861 now on General Orders.

H. F. No. 2248: A bill for an act relating to municipal police and fire civil service commissions; requiring that commissioners be appointed by city councils; removing certain restrictions on other employment; limiting the commission's power to prescribe employment requirements; amending Minnesota Statutes 1976, Sections 419.02; 419.05; and 420.06.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1949 now on the Senate Calendar.

H. F. No. 2291: A bill for an act relating to labor; defining "hours worked"; providing that for certain employees the term shall not include certain periods and shall not be used in computing wages; amending Minnesota Statutes 1976, Section 177.23, by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1848 now on General Orders.

H. F. No. 2307: A bill for an act relating to intoxicating liquor; hours and days of sale; requiring wholesalers to maintain a warehouse stock; restricting liquor licenses in the city of St. Paul; amending Minnesota Statutes 1976, Sections 340.07, Subdivision 8; 340.14, Subdivision 1; and Chapter 340, by adding a section.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 2204 now on General Orders.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 1730: A bill for an act relating to public welfare; extending the pilot dental health program; appropriating money; amending Laws 1976, Chapter 305, Sections 3 and 4, Subdivision 3.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 2128: A bill for an act relating to emergency telephone systems; providing for the payment of certain costs of operating emergency telephone systems; amending Minnesota Statutes, 1977 Supplement, Section 403.11.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 2165: A bill for an act relating to retirement; increased benefits of former probate judges; payment by the Minnesota state retirement system; appropriating money; amending Minnesota Statutes 1976, Chapter 490, by adding a section.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 1992: A bill for an act relating to emergency services; authorizing the division of emergency services to enter into an agreement with the federal disaster assistance administration for the maintenance of the Minnesota natural disaster assistance plan; appropriating money.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 2077: A bill for an act relating to public health; authorizing the contractual provision of statutorily prescribed public health services by the commissioner of health; modifying the definition of child in the maternal and child nutrition act; expanding scope of functions that may be performed by local health agencies; amending Minnesota Statutes 1976, Sections 145.031, Subdivision 1; 145.55, Subdivision 1; 145.892; 145.893; 145.918, Subdivision 2; and Chapter 144, by adding a section; repealing Minnesota Statutes 1976, Sections 12.56; 12.57; and 144.146, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 26, delete "available" and insert "appropriated"

Amend the title as follows:

Line 8, after the semicolon, insert "appropriating money;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 1806: A bill for an act relating to housing; providing funds for housing programs for native Americans; appropriating money; amending Minnesota Statutes 1976, Sections 462A.07, by adding a subdivision; 462A.21, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 15, strike "\$3,000,000" and insert "\$2,500,000

Page 2, line 21, strike "\$2,000,000" and insert "\$1,500,000"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred

H. F. No. 1766: A bill for an act relating to state lands; authorizing the conveyance by the state of certain lands in Beltrami county.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which were referred

H. F. Nos. 1915, 1861, 2204 and 842 for comparison with companion Senate Files, reports the following House Files were found not identical with their companion Senate Files 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.
1915	1930				
1861	1654				
2204	1874				
842	370				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1915 be amended as follows:

Page 2, after line 32, insert

"Sec. 2. Minnesota Statutes 1976, Chapter 272, is amended by adding a section to read:

[272.70] [CLASSIFICATION OF ASSESSORS' FIELD CARDS.] *Assessors' field cards shall be classified as private data as defined in section 15.162. The term "field cards" means those cards on which the assessor records his observations and opinions with respect to the piece of property which was assessed.*"

Delete page 4, line 3 to page 9, line 8

Page 11, line 3, delete "before" and insert "no later than one week after"

Page 11, line 15, delete "be" and insert "is"

Delete page 21, line 23 to page 22, line 16

Page 22, line 21, delete "6 and 20" and insert "2, 5 and 17"

Page 22, line 22, delete "2,"

Page 22, line 23, delete "5, 7 and 19" and insert "6 and 16"

Page 22, line 24, delete "8, 14, 15 and 16" and insert "7 and 13"

Page 22, line 25, delete "9 and 10" and insert "8 and 9"

Page 22, line 27, before the period insert "; provided that, if a refund has been paid prior to January 1, 1978, in accordance with the provisions of section 11, to the survivor of a disabled claimant who died prior to June 1 of the year of the claim, no refund of the excess amount paid in accordance with that section shall be required by the commissioner of revenue. A claimant who would qualify for a credit pursuant to the provisions of section 11 which is greater than that which he has received pursuant to Minnesota

Statutes 1976, Section 290A.04, Subdivision 1, may file with the department of revenue a claim for an additional refund in the amount of the excess. Claims made pursuant to this provision shall not be subject to the penalties provided in Minnesota Statutes, Section 290A.06, if filed before December 31, 1978"

Page 22, line 28, delete "11" and insert "10"

Page 22, line 29, delete "12 and 13" and insert "11 and 12"

Page 22, line 30, delete "17 and 18" and insert "14 and 15"

Page 22, delete lines 31 and 32 and insert "effective July 1, 1978."

ReNUMBER sections in sequence

Further, amend the title as follows:

Line 8, delete "providing a seven year carryforward"

Delete line 9

Line 10, delete "charitable contributions;"

Lines 24 and 25, delete "altering the method of computing metropolitan council tax levies;"

Lines 32, delete "473.249, Subdivisions 1 and 2" and insert "and Chapter 272, by adding a section"

Delete line 34

And when so amended H. F. No. 1915 will be identical to S. F. No. 1930, and further recommends that H. F. No. 1915 be given its second reading and substituted for S. F. No. 1930, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 842 be amended as follows:

Page 2, line 30, delete "10" and insert "30" and delete "30" and insert "60"

Page 5, line 12, delete "10" and insert "30" and delete "30" and insert "60"

Page 7, delete lines 15 and 16

And when so amended H. F. No. 842 will be identical to S. F. No. 370, and further recommends that H. F. No. 842 be given its second reading and substituted for S. F. No. 370, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2204 be amended as follows:

Page 1, line 16, delete "*the greater of*"

Page 1, line 18, after "*election*" insert "*, whichever is greater*"

Page 1, line 22, delete "*Only one election*" and after "*period*" insert "*only one election*"

Page 2, line 11, delete the underscored language

Page 2, line 14, before the period insert "*, whichever is greater*"

Page 2, line 16, delete "*within two years of an election held*"

Page 2, delete line 17 and insert "*this subdivision within two years of an election.*"

Sec. 3. [EFFECTIVE DATE.] *This act is effective the day after final enactment.*"

And when so amended H. F. No. 2204 will be identical to S. F. No. 1874, and further recommends that H. F. No. 2204 be given its second reading and substituted for S. F. No. 1874, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1861 be amended as follows:

Page 6, line 28, strike "*, whichever is later*"

Page 6, after line 28, insert

"Sec. 6. Minnesota Statutes, 1977 Supplement, Section 353.03, Subdivision 1, is amended to read:

353.03 [BOARD OF TRUSTEES.] Subdivision 1. [MANAGEMENT; COMPOSITION; ELECTION.] The management of the public employees retirement fund is hereby vested in a board of trustees consisting of 15 members, who shall be known as the board of trustees. This board shall consist of ~~three~~ *four* trustees, one of whom shall be designated by each of the following associations or organizations, Minnesota school boards association, League of Minnesota Cities, and Association of Minnesota Counties and the executive committee of the statewide general labor organization which includes among its membership the employee organizations, as defined in section 179.63, subdivision 5, which represent the largest number of employees who are association members; nine area trustees, who shall be elected from the membership employed in one of the areas described below by the members employed in such area except members of the police and fire fund; one trustee who shall be a retired annuitant elected at large by other annuitants; and one trustee who is a member of the police and fire fund elected at large by the membership of the police and fire fund. ~~The remaining trustee shall be elected prior~~

to January 1 by the governing bodies of employee organizations, as defined in section 179.63, subdivision 5, representing association employees; provided that in making the election each employee organization shall have one vote for each association employee it represents. The respective governing bodies shall implement and administer a system for the election of this member and the filling of vacancies, and any dispute in the election process shall be resolved by the secretary of state. Elected trustees shall hold office for a term of four years. For seven days beginning December 1 of each year, the association shall accept at its office filings in person or by mail of candidates for the board of trustees. An area candidate shall submit at the time of filing a nominating petition signed by 25 or more members of the fund from the area of the candidate, a retired annuitant candidate, a nominating petition signed by 25 or more such annuitants, and a police and fire fund candidate, a nominating petition signed by 25 or more members of such fund. No nominee may withdraw his name from nomination after December 15. By January 10 of each year in which elections are to be held the board shall distribute by mail to the members and annuitants ballots listing the candidates. No member may vote for more than one candidate but a blank line shall be provided for a write in vote. A ballot indicating a vote for more than one person shall be void. No special marking may be used on the ballot to indicate incumbents. The last day for mailing ballots to the fund shall be January 31. Except as provided in this section, all terms expire on January 31 of the fourth year, and the position shall remain vacant until the newly elected member is qualified. The ballot envelopes shall be so designed and the ballots shall be counted in such a manner as to insure that each vote is secret. For the purpose of electing the nine area trustees, the state shall be divided into three areas as follows: Area one shall include Anoka, Hennepin, Ramsey and Washington counties. Area two shall include Big Stone, Swift, Kandiyohi, Meeker and Wright counties and all counties south thereof, except counties in area one. Area three shall include all the remaining counties of the state. If any governmental unit is located in more than one area, place of employment shall be deemed to be in the area in which the main office of the governmental unit is located. Each year for three years one area trustee shall be elected to a four-year term from each area by the members employed in the respective areas. In the fourth year one trustee shall be elected at large by the police and fire fund membership and one trustee elected at large by the annuitants.

Notwithstanding the foregoing, however, in order to provide for a transition to regional elections, in the year 1978 only, a retired trustee shall be elected by the annuitants, and three trustees shall be elected from each of the three areas by the members of the area who may vote for only one candidate. The annuitant candidate receiving the most votes shall serve a three-year term, the candidate in each area receiving the largest number of votes shall serve a four-year term, the candidate in each area receiving the second largest number of votes shall serve a two-year term and the candidate in each area receiving the third largest number of votes shall serve a one-year term. The elections shall be

supervised by the secretary of state. It shall be the duty of the board of trustees to faithfully administer the law without prejudice and consistent with the expressed intent of the legislature. They shall act as trustees with a fiduciary obligation to the state of Minnesota which created the fund, the taxpayers of the governmental subdivisions which aid in financing it and the public employees who are its beneficiaries.

Sec. 7. Minnesota Statutes 1976, Section 353.30, Subdivision 1b, is amended to read:

Subd. 1b. Any person with 30 years or more of allowable service credit who elects early retirement under subdivision 1, shall receive an annuity reduced by ~~one-half~~ *one-fourth* of one percent for each month that such person is under age 62 at the time of retirement."

Page 12, line 22, after "5" delete the comma

Page 13, line 25, delete "*Section 5*" and insert "*Sections 5 and 6*"

Page 13, line 28, after "(3)" delete the comma

Renumber the sections in sequence

Further, amend the title as follows:

Line 6, before "by" insert "Subdivision 1b, and"

Line 10, before "by" insert "Subdivision 6, and"

Line 12, after the semicolon insert "353.03, Subdivision 1; and"

Line 13, delete "and 354.41, Subdivision 6;"

And when so amended H. F. No. 1861 will be identical to S. F. No. 1654, and further recommends that H. F. No. 1861 be given its second reading and substituted for S. F. No. 1654, 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. Coleman from the Committee on Rules and Administration, to which was referred

H. F. No. 2098 for comparison with companion Senate File, reports the following House File was found not identical with 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.
2098	2143				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2098 be amended as follows:

Strike everything after the enacting clause and insert

"Section 1. Minnesota Statutes 1976, Section 145.922, is amended by adding a subdivision to read:

Subd. 3. The commissioner may make special grants to (1) cities, counties, groups of cities or counties, or hospitals licensed pursuant to sections 144.50 to 144.56, or (2) to nonprofit corporations which do not perform abortions, to provide pre-pregnancy family planning services. No grant recipient may contract for any family planning services with any nonprofit corporation other than a licensed hospital or licensed health maintenance organizations, which performs abortions. Applicants shall submit for approval a plan and budget for the use of funds in the form and detail as specified by the commissioner. The plan submitted to the commissioner shall include the amount of money spent by the applicant for family planning services in the previous year. The applicant must agree not to reduce its expenditures for family planning services below the level in the year prior to receiving a grant. The commissioner may adopt by permanent rules criteria for approval of plans and budgets. Grantees shall maintain records, including records of expenditures to be audited, and shall furnish reports as specified by the commissioner. The commissioner of health may not require that any city or county apply for or receive grants under this subdivision as a condition for the receipt of any state or federal funds unrelated to family planning services.

Sec. 2. Minnesota Statutes 1976, Chapter 145, is amended by adding a section to read:

[145.923] [INDIVIDUAL RIGHTS; MEDICAL PRIVILEGE.] *Subdivision 1. The request of any person for family planning services or his or her refusal to accept any service shall in no way affect the right of the person to receive public assistance, public health services, or any other public service. Nothing in section 1 shall abridge the right of the individual to make decisions concerning family planning, nor shall any individual be required to state his or her reason for refusing any offer of family planning services.*

Subd. 2. Any employee of the agencies engaged in the administration of the provisions of section 1 may refuse to accept the duty of offering family planning services to the extent that the duty is contrary to his personal beliefs. A refusal shall not be grounds for dismissal, suspension, demotion, or any other discrimination in employment. The directors or supervisors of the agencies shall reassign the duties of employees in order to carry out the provisions of section 1.

Subd. 3. All information gathered by any agency, entity, or individual conducting programs in family planning is private data on individuals within the meaning of section 15.162, subdivision 5a.

Sec. 3. *The sum of \$1,400,000 is appropriated from the general fund to the commissioner of health for the biennium ending June 30, 1979 for the purposes specified in this act.*

Sec. 4. This act is effective on the day following final enactment."

Further, strike the title and insert

"A bill for an act relating to family planning services; providing for special grants for family planning services; appropriating money; amending Minnesota Statutes 1976, Section 145.922, by adding a subdivision; and Chapter 145, by adding a section."

And when so amended H. F. No. 2098 will be identical to S. F. No. 2143, and further recommends that H. F. No. 2098 be given its second reading and substituted for S. F. No. 2143, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

SECOND READING OF SENATE BILLS

S. F. Nos. 1730, 2128, 2165, 1992, 2077 and 1806 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. Nos. 1915, 1861, 2204, 842, 1766 and 2098 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Hughes moved that the report from the Committee on Education, reported March 9, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Hughes moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Hughes moved that in accordance with the report from the Committee on Education, reported March 9, 1978, the Senate, having given its advice, do now consent to and confirm the appointments of:

STATE BOARD FOR COMMUNITY COLLEGES

Elna Ponto, Route 1, Box 235, Albert Lea, Freeborn County, effective June 30, 1977, for a term expiring January 1, 1980.

Thomas D. Peacock, Route 2, Cass Lake, Cass County, effective January 30, 1978, for a term expiring the first Monday in January, 1982.

STATE UNIVERSITY BOARD

Marian Keith, RR 2, Rochester, Olmsted County, effective January 3, 1978, for a term expiring the first Monday in January, 1979.

COUNCIL ON QUALITY EDUCATION

Jan Storms, Route No. 2, Box 135A, Chaska, Carver County, effective January 3, 1978, for a term expiring the first Monday in January, 1980.

Nancy Belbas, 4603 Lakeview Drive, Edina, Hennepin County, effective January 10, 1978, for a term expiring the first Monday in January, 1979.

STATE BOARD OF EDUCATION

Louis R. Smerling, 2552 West Lake of the Isles Blvd., Minneapolis, Hennepin County, effective January 1, 1978, for a term expiring the first Monday in January, 1981.

The motion prevailed. So the appointments were confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Stokowski, for Mr. Gearty, moved that the report from the Committee on Elections, reported March 9, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Stokowski moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Stokowski moved that in accordance with the report from the Committee on Elections, reported March 9, 1978, the Senate, having given its advice, do now consent to and confirm the appointments of:

ETHICAL PRACTICES BOARD

Vernon Jensen, 2485 Linden Lane, Maplewood, Ramsey County, effective January 30, 1978, for a term expiring the first Monday in January, 1982.

Richard Temple, Route 5, Box 92, Alexandria, Douglas County, effective January 30, 1978, for a term expiring the first Monday in January, 1979.

The motion prevailed. So the appointments were confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Stokowski, for Mr. Gearty, moved that the report from the Committee on Elections, reported March 9, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Stokowski moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Stokowski moved that in accordance with the report from the Committee on Elections, reported March 9, 1978, the Senate, having given its advice, do not now consent to and do not confirm the appointment of:

ETHICAL PRACTICES BOARD

Patrick Flanders, R.R. 3, Paynesville, Stearns County, effective January 30, 1978, for a term expiring January 1, 1981.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 50 and nays 6, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Lewis	Penny	Solon
Benedict	Hughes	McCutcheon	Peterson	Spear
Bernhagen	Humphrey	Menning	Renneke	Staples
Borden	Jensen	Merriam	Schaaf	Stokowski
Chmielewski	Johnson	Moe	Schmitz	Strand
Coleman	Keefe, J.	Nelson	Schrom	Stumpf
Davies	Keefe, S.	Nichols	Setzepfandt	Tennessee
Engler	Kleinbaum	Ogdahl	Sieloff	Ueland, A.
Gearty	Knaak	Olhoft	Sikorski	Vega
Gunderson	Lessard	Olson	Sillers	Willet

Those who voted in the negative were:

Dieterich	Luther	Perpich	Purfeerst	Ulland, J.
Kirchner				

The motion prevailed. So the appointment was not confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Schmitz moved that S. F. No. 1693 be taken from the table. The motion prevailed.

CONCURRENCE AND REPASSAGE

Mr. Schmitz moved that the Senate concur in the amendments by the House to S. F. No. 1693 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1693: A bill for an act relating to the national guard; increasing the pay for enlisted persons on active duty; amending Minnesota Statutes 1976, Section 192.51, Subdivision 2; repealing Minnesota Statutes 1976, Section 192.51, Subdivision 1.

Was read the third time, as amended by the House.

Mr. Schmitz moved that S. F. No. 1693 be laid on the table. The motion prevailed.

SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions,

Mr. Coleman moved to take up the Consent Calendar and waive the lie-over requirement. The motion prevailed.

CONSENT CALENDAR

H. F. No. 2214: A bill for an act relating to mutual insurance companies; providing for their conversion into stock companies; protecting the rights of guaranty fund certificate holders; amending Minnesota Statutes 1976, Section 66A.16, 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 51 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Hanson	Lessard	Peterson	Staples
Benedict	Hughes	Lewis	Pillsbury	Strand
Bernhagen	Jensen	Luther	Purfeerst	Stumpf
Brataas	Johnson	McCutcheon	Renneke	Tennessee
Chmielewski	Keefe, S.	Menning	Schaaf	Ulland, J.
Coleman	Kirchner	Merriam	Setzepfandt	Vega
Davies	Kleinbaum	Nichols	Sieloff	Willet
Dieterich	Knaak	Ogdahl	Sikorski	
Engler	Knoll	Olhoff	Sillers	
Gearty	Knutson	Penny	Solon	
Gunderson	Laufenburger	Perpich	Spear	

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS—CONTINUED

SUSPENSION OF RULES

Mrs. Staples 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. 2098 and that the rules of the Senate be so far suspended as to give H. F. No. 2098, now on General Orders, its third reading and place it on its final passage. The motion prevailed.

H. F. No. 2098: A bill for an act relating to family planning services; providing for special grants for family planning services; appropriating money; amending Minnesota Statutes 1976, Section 145.922, by adding a subdivision; and Chapter 145, by adding a section.

CALL OF THE SENATE

Mr. Chmielewski imposed a call of the Senate for the balance of the proceedings on H. F. No. 2098. The following Senators answered to their names:

Ashbach	Hanson	Lessard	Pillsbury	Staples
Benedict	Hughes	Luther	Purfeerst	Strand
Bernhagen	Humphrey	McCutcheon	Renneke	Stumpf
Borden	Jensen	Menning	Schaaf	Ueland, A.
Brataas	Johnson	Merriam	Schmitz	Ulland, J.
Chenoweth	Keefe, S.	Moe	Schrom	Vega
Chmielewski	Kirchner	Nelson	Setzepfandt	Wegener
Davies	Kleinbaum	Olhoff	Sieloff	Willet
Dieterich	Knaak	Olson	Sikorski	
Engler	Knoll	Penny	Sillers	
Frederick	Knutson	Perpich	Solon	
Gunderson	Laufenburger	Peterson	Spear	

The Sergeant at Arms was instructed to bring in the absent members.

Mr. Chmielewski moved to amend H. F. No. 2098, as amended pursuant to Rule 49, adopted by the Senate March 14, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 2143.)

Page 3, after line 4, insert:

"Sec. 3. [INFORMED CONSENT.] Any person requesting family planning services shall be informed of:

(a) The procedures to be followed, including an identification of any which are experimental;

(b) A description of any attendant discomforts or risks which might reasonably be expected;

(c) A fair explanation of the likely results, should the procedure fail;

(d) A description of any benefits which might reasonably be expected;

(e) A disclosure of any appropriate alternative methods or procedures that might be advantageous;

(f) An offer to answer any inquiries concerning the procedures; and

(g) An instruction that the subject is free either to decline entrance into a project or to withdraw his consent, and to discontinue participation in the project or activity at any time without prejudicing his future participation.

Sec. 4. [ACTS PROHIBITED.] Any grantee who receives grants pursuant to this act, who coerces or endeavors to coerce any individual to undergo an abortion or sterilization procedure shall be fined not more than \$1,000 or imprisoned for not more than one year, or both."

Renumber the sections in sequence

Amend the title as follows:

Line 3, after the semicolon, insert "requiring informed consent; providing a penalty;"

Mr. Keefe, J. requested division of the amendment as follows:

First portion:

Page 3, after line 4, insert:

"Sec. 3. [INFORMED CONSENT.] Any person requesting family planning services shall be informed of:

(a) The procedures to be followed, including an identification of any which are experimental;

(b) A description of any attendant discomforts or risks which might reasonably be expected;

(c) A fair explanation of the likely results, should the procedure fail;

(d) A description of any benefits which might reasonably be expected;

(e) A disclosure of any appropriate alternative methods or procedures that might be advantageous;

(f) An offer to answer any inquiries concerning the procedures; and

(g) An instruction that the subject is free either to decline entrance into a project or to withdraw his consent, and to discontinue participation in the project or activity at any time without prejudicing his future participation."

Renumber the sections in sequence

Amend the title as follows:

Line 3, after the semicolon, insert "requiring informed consent;"

Second portion:

"Sec. 4. [ACTS PROHIBITED.] Any grantee who receives grants pursuant to this act, who coerces or endeavors to coerce any individual to undergo an abortion or sterilization procedure shall be fined not more than \$1,000 or imprisoned for not more than one year, or both."

Renumber the sections in sequence

Amend the title as follows:

Line 3, after the semicolon, insert "providing a penalty;"

The question was taken on the adoption of the first portion of the Chmielewski amendment.

The roll was called, and there were yeas 37 and nays 20, as follows:

Those who voted in the affirmative were:

Bernhagen	Hughes	Laufenburger	Penny	Sikorski
Chenoweth	Jensen	Lessard	Peterson	Stumpf
Chmielewski	Johnson	Luther	Purfeerst	Vega
Engler	Keefe, J.	Menning	Renneke	Wegener
Frederick	Kleinbaum	Merriam	Schmitz	Willet
Gearty	Knaak	Moe	Schrom	
Gunderson	Knoll	Olhoft	Setzepfandt	
Hanson	Knutson	Olson	Sieloff	

Those who voted in the negative were:

Ashbach	Humphrey	Nelson	Pillsbury	Staples
Benedict	Keefe, S.	Nichols	Schaaf	Strand
Brataas	Kirchner	Ogdahl	Sillers	Tennessee
Dieterich	Lewis	Perpich	Spear	Ulland, J.

The motion prevailed. So the first portion of the Chmielewski amendment was adopted.

The question was taken on the adoption of the second portion of the Chmielewski amendment.

The roll was called, and there were yeas 36 and nays 23, as follows:

Those who voted in the affirmative were:

Bernhagen	Hughes	Menning	Renneke	Ueland, A.
Chmielewski	Jensen	Merriam	Schmitz	Vega
Coleman	Johnson	Moe	Schrom	Wegener
Engler	Kleinbaum	Olhoff	Setzepfandt	Willet
Frederick	Knaak	Olson	Sieloff	
Gearty	Knutson	Penny	Sikorski	
Gunderson	Lessard	Peterson	Strand	
Hanson	Luther	Purfeerst	Stumpf	

Those who voted in the negative were:

Ashbach	Humphrey	Laufenburger	Ogdahl	Spear
Benedict	Keefe, J.	Lewis	Perpich	Staples
Borden	Keefe, S.	McCutcheon	Pillsbury	Ulland, J.
Brataas	Kirchner	Nelson	Schaaf	
Dieterich	Knoll	Nichols	Sillers	

The motion prevailed. So the second portion of the Chmielewski amendment was adopted.

Pursuant to Rule 21, Mr. Moe moved that the following members be excused for a Conference Committee on H. F. Nos. 2493 and 2494:

Messrs. Moe, Lewis, Humphrey, Kleinbaum and Kirchner. The motion prevailed.

Pursuant to Rule 21, Mr. Merriam moved that the following members be excused for a Conference Committee on H. F. No. 1885:

Messrs. Merriam, Hughes, Anderson and Dieterich. The motion prevailed.

Mr. Chenoweth moved to amend H. F. No. 2098, as amended pursuant to Rule 49, adopted by the Senate March 14, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 2143.)

Page 2, line 11, after the period insert "Except as provided in sections 144.341 and 144.342, any person or entity receiving funds pursuant to this subdivision, who recommends an abortion or sterilization to any unemancipated minor 16 years of age or young-

er, shall, following such recommendation, so notify the parent or guardian of the reasons such action is in the best interests of the minor."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 35 and nays 21, as follows:

Those who voted in the affirmative were:

Bernhagen	Hanson	Knutson	Penny	Solon
Chenoweth	Hughes	Lessard	Peterson	Strand
Chmielewski	Jensen	McCutcheon	Renneke	Stumpf
Engler	Johnson	Menning	Schmitz	Ueland, A.
Frederick	Keefe, J.	Merriam	Schrom	Vega
Gearty	Knaak	Olhoft	Setzepfandt	Wegener
Gunderson	Knoll	Olson	Sieloff	Willet

Those who voted in the negative were:

Anderson	Davies	Luther	Schaaf	Ulland, J.
Ashbach	Dieterich	Nelson	Sillers	
Benedict	Keefe, S.	Ogdahl	Spear	
Brataas	Laufenburger	Perpich	Staples	
Coleman	Lewis	Pillsbury	Tennessee	

The motion prevailed. So the amendment was adopted.

Mr. Bernhagen moved to amend H. F. No. 2098, as amended pursuant to Rule 49, adopted by the Senate March 14, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 2143.)

Page 1, line 19, after the period, insert *"Family planning services shall not be provided by any grantee in any primary or secondary school."*

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 31 and nays 19, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	McCutcheon	Schmitz	Vega
Bernhagen	Hanson	Menning	Schrom	Wegener
Chmielewski	Hughes	Olhoft	Setzepfandt	Willet
Coleman	Johnson	Olson	Sieloff	
Engler	Knaak	Peterson	Solon	
Frederick	Laufenburger	Purfeerst	Strand	
Gearty	Lessard	Renneke	Ueland, A.	

Those who voted in the negative were:

Anderson	Dieterich	Luther	Schaaf	Stumpf
Benedict	Keefe, J.	Merriam	Sillers	Tennessee
Brataas	Keefe, S.	Ogdahl	Spear	Ulland, J.
Davies	Knoll	Pillsbury	Staples	

The motion prevailed. So the amendment was adopted.

H. F. No. 2098 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 51 and nays 8, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Pillsbury	Stokowski
Ashbach	Gearty	Laufenburger	Renneke	Strand
Benedict	Gunderson	Lessard	Schaaf	Stumpf
Bernhagen	Hanson	Luther	Schmitz	Tennessee
Borden	Hughes	Merriam	Setzepfandt	Ueland, A.
Brataas	Jensen	Nelson	Sieloff	Ulland, J.
Chenoweth	Johnson	Ogdahl	Sikorski	Vega
Coleman	Keefe, J.	Olhoft	Sillers	
Davies	Keefe, S.	Olson	Solon	
Dieterich	Knaak	Penny	Spear	
Engler	Knoll	Peterson	Staples	

Those who voted in the negative were:

Chmielewski	Menning	Purfeerst	Wegener	Willet
McCutcheon	Perpich	Schrom		

So the bill, as amended, passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 2233 a Special Order to be heard immediately.

H. F. No. 2233: A bill for an act relating to state government; directing the commissioner of administration to grant contract preference to American made products; amending Minnesota Statutes 1976, Chapter 16, by adding a section.

Mr. Johnson moved to amend H. F. No. 2233, as amended pursuant to Rule 49, adopted by the Senate March 13, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 2111.)

Page 2, line 3, strike the period and insert a semicolon

Page 2, after line 3, insert

“(e) “Purchase” means acquire by purchase or lease.”

Page 2, line 8, after the period insert “When all other factors are substantially equal, preference shall be given to those products which are manufactured to the greatest extent in the United States.”

The motion prevailed. So the amendment was adopted.

Pursuant to Rule 21, Mr. McCutcheon moved that the following members be excused for a Conference Committee on S. F. No. 65:

Messrs. McCutcheon, Lewis, Sikorski, Davies and Keefe, J. The motion prevailed.

CALL OF THE SENATE

Mr. Johnson imposed a call of the Senate for the balance of the proceedings on H. F. No. 2233. The following Senators answered to their names:

Ashbach	Hanson	Lewis	Purfeerst	Spear
Benedict	Humphrey	Luther	Renneke	Stokowski
Borden	Jensen	Menning	Schaaf	Strand
Brataas	Johnson	Nelson	Schmitz	Stumpf
Chenoweth	Keefe, S.	Olson	Schrom	Tennessee
Chmielewski	Knaak	Penny	Setzepfandt	Ulland, J.
Coleman	Knutson	Perpich	Sieloff	Vega
Engler	Laufenburger	Peterson	Sikorski	Wegener
Gunderson	Lessard	Pillsbury	Solon	Willet

The Sergeant at Arms was instructed to bring in the absent members.

H. F. No. 2233 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 36 and nays 25, as follows:

Those who voted in the affirmative were:

Benedict	Hughes	Lessard	Olhoff	Strand
Borden	Humphrey	Lewis	Penny	Stumpf
Chenoweth	Johnson	Luther	Perpich	Vega
Chmielewski	Keefe, S.	Menning	Peterson	Willet
Coleman	Kirchner	Moe	Setzepfandt	
Engler	Kleinbaum	Nelson	Sikorski	
Gearty	Knoll	Nichols	Solon	
Hanson	Laufenburger	Ogdahl	Stokowski	

Those who voted in the negative were:

Anderson	Dieterich	Knutson	Renneke	Sillers
Ashbach	Frederick	Merriam	Schaaf	Spear
Bernhagen	Gunderson	Olson	Schmitz	Tennessee
Brataas	Jensen	Pillsbury	Schrom	Ulland, J.
Davies	Knaak	Purfeerst	Sieloff	Wegener

So the bill, as amended, passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 1364 a Special Order to be heard immediately.

S. F. No. 1364: A bill for an act relating to the state civil service; requiring a statewide affirmative action program and agency plans; providing for expanding eligible lists so as to include protected group members; amending Minnesota Statutes 1976, Section 43.15.

Mr. Chenoweth moved to amend S. F. No. 1364 as follows:

Page 4, line 8, after the period insert "*Notwithstanding any provision of this subdivision to the contrary, no person shall be added to an appointment list as a result of this subdivision if that person received a score of less than 70 on the applicable test.*"

The motion prevailed. So the amendment was adopted.

S. F. No. 1364 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 45 and nays 1, as follows:

Those who voted in the affirmative were:

Ashbach	Gearly	Laufenburger	Peterson	Sillers
Benedict	Gunderson	Lessard	Pillsbury	Solon
Bernhagen	Jensen	Lewis	Purfeerst	Spear
Brataas	Johnson	Luther	Renneke	Staples
Chenoweth	Keefe, S.	Moe	Schaaf	Stokowski
Chmielewski	Kleinbaum	Nichols	Schmitz	Stumpf
Coleman	Knaak	Ogdahl	Schrom	Ulland, J.
Engler	Knoll	Olhoft	Setzepfandt	Vega
Frederick	Knutson	Penny	Sieloff	Willet

Mr. Olson voted in the negative.

So the bill, as amended, passed and its title was agreed to.

MOTIONS AND RESOLUTIONS—CONTINUED SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to take up the Senate Calendar and waive the lie-over requirement. The motion prevailed.

S. F. No. 793: A bill for an act relating to public waters; transferring certain authority concerning lake improvement districts to the pollution control agency; specifying the procedure for creation of lake improvement districts; authorizing districts to undertake certain improvement projects and assess benefited property; altering the procedure for terminating districts; requiring districts to hold an annual meeting; clarifying local government authority over public waters; establishing a lake restoration and protection program; making grants-in-aid available for improving water quality in public lakes; prescribing certain powers and duties for the pollution control agency; amending Minnesota Statutes 1976, Sections 105.484; 378.41, Subdivision 2; 378.42, Subdivisions 1, 2, and by adding a subdivision; 378.43, Subdivisions 1 and 3; 378.46; 378.47, Subdivisions 1 and 2; 378.51, Subdivisions 1 and 3; 378.52, Subdivision 1; 378.55; 378.56, Subdivisions 1 and 2; and 459.20; and Chapter 378, by adding a section; repealing Minnesota Statutes 1976, Sections 378.45; 378.53; and 378.54.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 48 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Lessard	Peterson	Solon
Benedict	Gunderson	Lewis	Pillsbury	Spear
Bernhagen	Jensen	Luther	Purfeerst	Staples
Borden	Johnson	Menning	Renneke	Stokowski
Brataas	Keefe, S.	Moe	Schaaf	Stumpf
Chenoweth	Kleinbaum	Nichols	Schmitz	Ulland, J.
Chmielewski	Knaak	Ogdahl	Schrom	Vega
Coleman	Knoll	Olhoff	Setzepfandt	Willet
Engler	Knutson	Olson	Sieloff	
Frederick	Laufenburger	Penny	Sillers	

So the bill passed and its title was agreed to.

THIRD READING OF HOUSE BILLS

H. F. No. 267: A bill for an act relating to negligence; prescribing certain liability of good samaritans; amending Minnesota Statutes 1976, Section 604.05.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Lewis	Pillsbury	Staples
Benedict	Hanson	Luther	Purfeerst	Stokowski
Bernhagen	Jensen	Menning	Renneke	Strand
Borden	Johnson	Moe	Schaaf	Stumpf
Brataas	Keefe, S.	Nelson	Schmitz	Tennessee
Chenoweth	Kleinbaum	Nichols	Schrom	Ulland, J.
Chmielewski	Knaak	Ogdahl	Setzepfandt	Vega
Coleman	Knoll	Olhoff	Sieloff	Willet
Engler	Knutson	Olson	Sillers	
Frederick	Laufenburger	Penny	Solon	
Gearty	Lessard	Peterson	Spear	

So the bill passed and its title was agreed to.

H. F. No. 807: A bill for an act relating to metropolitan government; removing the city of New Prague from definitions of metropolitan areas; adding the city of New Prague to region nine; amending Minnesota Statutes 1976, Sections 473.121, Subdivision 2; 473.123, Subdivisions 1 and 3; 473.249, Subdivision 1; 473.403; 473F.02, Subdivisions 2 and 8.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Chenoweth	Gearty	Keefe, S.	Laufenburger
Benedict	Chmielewski	Gunderson	Kirchner	Lessard
Bernhagen	Coleman	Hanson	Kleinbaum	Lewis
Borden	Engler	Jensen	Knaak	Luther
Brataas	Frederick	Johnson	Knutson	Menning

Moe	Penny	Schmitz	Spear	Ulland, J.
Nelson	Peterson	Schrom	Staples	Vega
Nichols	Pillsbury	Setzepfandt	Stokowski	Willet
Ogdahl	Purfeerst	Sieloff	Strand	
Olhoff	Renneke	Sillers	Stumpf	
Olson	Schaaf	Solon	Tennessee	

So the bill passed and its title was agreed to.

H. F. No. 1909: A bill for an act relating to the legislature; providing that the organization of the legislature at the regular session continue during a special session; amending Minnesota Statutes 1976, Chapter 3, by adding a section.

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 53 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Lessard	Peterson	Spear
Benedict	Hanson	Lewis	Pillsbury	Staples
Bernhagen	Jensen	Luther	Purfeerst	Stokowski
Borden	Johnson	Menning	Renneke	Strand
Brataas	Keefe, S.	Moe	Schaaf	Stumpf
Chenoweth	Kirchner	Nelson	Schmitz	Tennessee
Chmielewski	Kleinbaum	Nichols	Schrom	Ulland, J.
Coleman	Knaak	Ogdahl	Setzepfandt	Vega
Engler	Knoll	Olhoff	Sieloff	Willet
Frederick	Knutson	Olson	Sillers	
Gearty	Laufenburger	Penny	Solon	

So the bill passed and its title was agreed to.

H. F. No. 1859: A bill for an act relating to retirement; providing for an exclusion from public pension coverage for those persons covered by certain federal public service employment programs in compliance with federal regulations; establishment of reserve accounts for certain provisional members; amending Minnesota Statutes 1976, Sections 69.29; 136.80, Subdivision 1; 352B.01, Subdivision 2; 353.64, by adding a subdivision; 354A.10; 423.23; 423.372; 423.43; 423.801, Subdivision 2; 424.03; Chapter 356, by adding sections; and Laws 1969, Chapter 950, Section 1; Minnesota Statutes, 1977 Supplement, Sections 352.01, Subdivision 28; 353.01, Subdivision 2b; 354.05, Subdivision 2; and 422A.09, Subdivision 3.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 53 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Brataas	Engler	Hanson	Kirchner
Benedict	Chenoweth	Frederick	Jensen	Kleinbaum
Bernhagen	Chmielewski	Gearty	Johnson	Knaak
Borden	Coleman	Gunderson	Keefe, S.	Knoll

Knutson	Nelson	Pillsbury	Sieloff	Stumpf
Laufenburger	Nichols	Purfeerst	Sillers	Tennessee
Lessard	Ogdahl	Renneke	Solon	Ulland, J.
Lewis	Olhoff	Schaaf	Spear	Vega
Luther	Olson	Schmitz	Staples	Willet
Menning	Penny	Schrom	Stokowski	
Moe	Peterson	Setzepfandt	Strand	

So the bill passed and its title was agreed to.

H. F. No. 838: A bill for an act relating to natural resources; watershed districts; changing bonding provisions for managers; changing and clarifying administrative provisions; establishing a survey and data acquisition fund; creating fees for applications for permits and for field inspections; authorizing watershed districts to require a permit applicant to post a bond; providing penalties and enforcement provisions; amending Minnesota Statutes 1976, Sections 112.42, Subdivision 1; 112.43, Subdivision 1; 112.48, Subdivision 4; 112.49, by adding a subdivision; 112.50, Subdivision 1; 112.55; 112.61, by adding a subdivision; 112.62, by adding a subdivision; 112.69; 112.761, Subdivision 1; 112.85, Subdivision 1; and Chapter 112, by adding sections; repealing Laws 1969, Chapter 969.

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 53 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Lessard	Peterson	Spear
Benedict	Hanson	Lewis	Pillsbury	Staples
Bernhagen	Jensen	Luther	Purfeerst	Stokowski
Borden	Johnson	Menning	Renneke	Strand
Brataas	Keefe, S.	Moe	Schaaf	Stumpf
Chenoweth	Kirchner	Nelson	Schmitz	Tennessee
Chmielewski	Kleinbaum	Nichols	Schrom	Ulland, J.
Coleman	Knaak	Ogdahl	Setzepfandt	Vega
Engler	Knoll	Olhoff	Sieloff	Willet
Frederick	Knutson	Olson	Sillers	
Gearty	Laufenburger	Penny	Solon	

So the bill passed and its title was agreed to.

H. F. No. 1808: A bill for an act relating to special school district No. 1 of the city of Minneapolis; establishing four year terms of office for directors of the board of education; amending Laws 1959, Chapter 462, Section 3, Subdivision 1, as amended and renumbered.

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 53 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Lessard	Peterson	Spear
Benedict	Hanson	Lewis	Pillsbury	Staples
Bernhagen	Jensen	Luther	Purfeerst	Stokowski
Borden	Johnson	Menning	Renneke	Strand
Brataas	Keefe, S.	Moe	Schaaf	Stumpf
Chenoweth	Kirchner	Nelson	Schmitz	Tennessee
Chmielewski	Kleinbaum	Nichols	Schrom	Ulland, J.
Coleman	Knaak	Ogdahl	Setzepfandt	Vega
Engler	Knoll	Olhoff	Sieloff	Willet
Frederick	Knutson	Olson	Sillers	
Gearty	Laufenburger	Penny	Solon	

So the bill passed and its title was agreed to.

Pursuant to Rule 21, Mr. Moe moved that the following members be excused for a Conference Committee on H. F. Nos. 2493 and 2494:

Messrs. Moe, Kirchner, Lewis, Kleinbaum and Humphrey. The motion prevailed.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Gearty in the chair.

After some time spent therein, the committee arose, and Mr. Gearty reported that the committee had considered the following:

S. F. No. 2294, H. F. Nos. 1838, 2256, 1976, 1921, 1851, 1898, 2051, 2176, 1797, 1833, 2221, 1442, 2177, 2066, 2419, 1786, 1870, 1873, 1908 which the committee recommends to pass.

S. F. No. 2069 which the committee recommends be returned to its author.

H. F. No. 1754 which the committee recommends to pass, subject to the following motion:

Mr. Strand moved that the amendment made to H. F. No. 1754 by the Committee on Rules and Administration in the report adopted March 13, 1978, pursuant to Rule 49, be stricken, except for the amendment to page 4, line 27.

The motion prevailed. So the amendment, except for the amendment to page 4, line 27, was stricken.

H. F. No. 1790, which the committee recommends to pass subject to the following motions:

Mr. Vega moved that the amendment made to H. F. No. 1790 by the Committee on Rules and Administration in the report adopted March 13, 1978, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

Mr. Vega then moved to amend H. F. No. 1790 as follows:

Amend the title as follows:

Page 1, strike line 3

The motion prevailed. So the amendment was adopted.

H. F. No. 2159, which the committee recommends to pass with the following amendment offered by Mr. Solon:

Page 1, after line 9, insert:

"Section 1. Minnesota Statutes 1976, Section 486.05, Subdivision 1, is amended to read:

486.05 [DISTRICT COURT; REPORTERS' SALARIES.]
Subdivision 1. The judge by an order filed with the county auditors on or before the second Monday in June, ~~1975~~, shall *annually* fix and establish the salary of the court reporter at an amount not exceeding ~~\$19,100~~ \$22,500 per year, and, in such order, each judge, except those judges in the second and fourth judicial districts, shall apportion the salaries of the reporters in their respective districts among the several counties, and each county shall be required by such order to pay a specified amount thereof in monthly installments, which shall be such proportion of the whole salary as the population in each county bears to the total population in the district as set forth in the most recent federal census. It is provided, however, that in the event a judge is temporarily transferred to hold court in some county other than in his judicial district then, and in that event, the said county shall pay that part of the monthly salary of the judge's reporter as that part of the month worked by said reporter in said county. Each reporter shall have and maintain his residence in the district in which he is appointed. The reporter, in addition to his salary, shall be paid such sums as he shall accrue as necessary mileage, traveling, and hotel expenses while absent from the city in which he resides in the discharge of his official duties, such expenses to be paid by the county for which the same were incurred upon presentation of a verified itemized statement thereof approved by the judge; and the auditor of such county, upon presentation of such approved statement, shall issue his warrant in payment thereof.

All laws now in force relating to the salary of district court reporters inconsistent herewith relating to any and all counties are hereby repealed and superseded, except the manner of setting salary as hereinbefore set forth shall not apply to the second and fourth judicial districts."

Renumber the sections in sequence

Amend the title as follows:

Line 2, after the semicolon, insert "increasing the maximum salary for district court reporters;"

Line 7, strike "Section" and insert "Sections 486.05, Subdivision 1; and"

H. F. No. 1744, which the committee recommends to pass with the following amendment offered by Mr. Gunderson:

Page 2, line 4, strike "seated in" and insert "occupying"

Page 2, line 32, strike "to secure the wheelchair user" and insert "which are approved by the commissioner of public safety"

Page 3, line 1, strike "may" and insert "required by this subdivision shall be adequate to secure the occupant of a wheelchair who is being transported by the vehicle. These seat belts shall"

Page 3, line 3, after "all" insert "other"

Page 3, line 3, strike "federal and"

Page 4, line 17, strike "complied" and insert "complies"

Page 4, line 26, after the period insert "For the purposes of this section "wheelchair securement device" means such a device approved by the commissioner of public safety."

Page 5, line 1, strike "sections 2 and 3" and insert "section 2, subdivision 1, and section 3, subdivision 1,"

Page 5, line 4, strike "upon"

Page 5, line 5, strike everything before the period and insert "the day following final enactment"

Amend the title as follows:

Page 1, line 8, after the semicolon insert "directing the commissioner of public safety to adopt rules and to approve devices required by the act,"

H. F. No. 2273, which the committee recommends to pass with the following amendments offered by Mr. Olson:

Mr. Olson moved to amend H. F. No. 2273 as follows:

Page 1, line 16, strike "rule 103.03,"

Page 1, line 17, strike "clauses (b) and (g) of"

Page 1, line 23, strike "department" and insert "commissioner"

Page 2, line 3, strike "department" and insert "commissioner"

Page 2, line 9, strike "department" and insert "commissioner"

Mr. Olson then moved to amend H. F. No. 2273 as follows:

Page 2, line 1, strike "file with the clerk of the" and insert "commence an action in"

Page 2, line 2, strike "a petition"

Page 2, line 3, strike "Thereupon"

Page 2, strike lines 4 to 9 and strike line 10 before "If"

H. F. No. 669, which the committee recommends to pass with the following amendments offered by Messrs. Lessard and Peterson:

Mr. Lessard moved to amend H. F. No. 669, as amended pursuant to Rule 49, adopted by the Senate March 13, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1759.)

Page 3, line 26, after "98" insert "*and under which he was exercising or attempting to exercise a privilege while violating this section,*"

Page 3, line 27, after "84.82" insert "*, if he was operating a snowmobile while violating this section,*"

Page 3, line 28, after "license" insert "*for that purpose*"

Page 4, line 1, after "98" insert "*and under which he was exercising or attempting to exercise a privilege while violating this section,*"

Page 4, line 2, after "84.32" insert "*, if he was operating a snowmobile while violating this section,*"

Page 4, line 4, after "license" insert "*for that purpose*"

Mr. Peterson moved to amend H. F. No. 669, as amended pursuant to Rule 49, adopted by the Senate March 13, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1759.)

Page 2, line 10, after "products" insert "*, lands enclosed by a legal fence as defined by section 344.02.*"

Page 2, line 11, after "except" insert "*any such*"

Page 2, line 11, strike "*designated trout*" and insert "*the water's edge of lakes and*"

S. F. No. 2170, which the committee recommends to pass with the following amendment offered by Mr. Spear:

Page 2, line 6, after "each" insert "*monthly*"

Page 2, line 8, strike "*regular*" and insert "*statutory*"

Page 2, line 14, strike "*regular*" and insert "*statutory*"

Page 2, line 17, strike "*regular*" and insert "*statutory*"

Page 2, line 21, strike "*regular*" and insert "*statutory*"

Page 2, line 24, strike "*regular*" and insert "*statutory*"

Page 2, line 26, strike "*regular*" and insert "*statutory*"

H. F. No. 2299 which the committee reports progress, subject to the following motion:

Mr. Schmitz moved that the amendment made to H. F. No. 2299 by the Committee on Rules and Administration in the report adopted March 13, 1978, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H. F. No. 2299 was then progressed.

S. F. No. 1985, which the committee recommends to pass with the following amendment offered by Mr. Stokowski:

Page 7, line 10, strike "REFUNDMENTS" and insert "REFUND"

Page 7, line 28, strike "for" and insert "of"

Page 7, line 32, after "*balances.*" insert "*No refunds of contributions made to the metropolitan transit commission-transit operating division employees retirement fund received prior to July 1, 1978 or for service rendered prior to July 1, 1978 may be repaid.*"

Page 11, line 28, strike "*of annuitants and benefit recipients*"

Page 12, line 7, strike "9" and insert "10"

Page 12, line 12, strike "*appropriated*" and insert "*transferred*"

Page 12, line 15, strike "9" and insert "10"

Page 12, line 28, strike "9" and insert "10"

Page 15, line 7, strike the second "*survivorship*" and insert "*survivor of deceased active employee*"

Page 15, line 29, strike "*Minnesota state*" and insert "*state employees retirement fund*"

Page 15, line 30, strike "*retirement system*"

Page 16, line 24, strike "*for a*" and insert a period

Page 16, strike lines 25, 26 and 27

Page 17, line 13, strike "*upon the date of*" and insert "*on June 30, 1978,*"

Page 17, line 14, strike "*transfer*"

Page 18, line 28, after "*credited to,*" insert "*the dates of birth of,*"

Page 18, line 29, after "*members*" insert "*, retirees and benefit recipients, and deceased members*"

Page 20, line 14, strike "*immediately prior to the effective date of this act*" and insert "*on December 31, 1977*"

Page 23, line 1, strike "*Any*" and insert "*The*"

Page 23, strike lines 2 through 8 and insert "*chapter 352 shall govern in all instances where not inconsistent with the provisions of this act.*"

Page 23, line 22 before "section" insert "*Minnesota Statutes 1976,*"

Page 23, line 30, after "fund" insert "*, including any increases provided for by this act,*"

Page 23, line 31, strike "*next following the effective date of this act*" and insert "*as of June 30, 1978*"

Page 24, line 29, after "(b)" insert "*who is at least age 55*"

Page 25, line 30, strike "9" and insert "10"

S. F. No. 1468, which the committee recommends to pass with the following amendments offered by Messrs. Jensen and Davies:

Mr. Jensen moved to amend S. F. No. 1468 as follows:

Page 3, line 25, strike "within a reasonable time"

Page 3, line 26, strike "after the estimate has been made" and insert "and the shop undertakes the repairs"

Mr. Davies moved to amend S. F. No. 1468 as follows:

Page 5, lines 4 and 6, strike "an" and insert "a written"

Page 7, line 9, after "its" insert "written"

H. F. No. 1823, which the committee recommends to pass subject to the following motions:

Mr. Lewis moved that the amendment made to H. F. No. 1823 by the Committee on Rules and Administration in the report adopted March 13, 1978, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

Mr. Chmielewski moved to amend H. F. No. 1823 as follows:

Page 3, after line 10, insert:

"Sec. 2. *Notwithstanding any provision of sections 144.801 to 144.8091, any person operating an ambulance service on the effective date of this act who was issued a license by the Minnesota board of health between December 31, 1974 and January 1, 1976 may continue to operate the ambulance service without the issuance of an additional license or license renewal until January 1, 1980.*"

Re-number the remaining section

Amend the title as follows:

Line 3, after the semicolon, insert "providing for the continuation of certain ambulance services;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 17 and nays 27, as follows:

Those who voted in the affirmative were:

Benedict	Lessard	Olson	Schmitz	Stokowski
Chenoweth	Lewis	Peterson	Schrom	Vega
Chmielewski	Menning	Renneke	Solon	Willet
Johnson	Olhoff			

Those who voted in the negative were:

Ashbach	Gearty	Laufenburger	Penny	Spear
Bernhagen	Gunderson	Luther	Purfeerst	Staples
Borden	Hughes	Merriam	Setzepfandt	Strand
Brataas	Keefe, S.	Moe	Sieloff	Ueland, A.
Davies	Kirchner	Ogdahl	Sillers	Wegener
Frederick	Kleinbaum			

The motion did not prevail. So the amendment was not adopted.

Mr. Peterson moved to amend H. F. No. 1823 as follows:

Page 3, after line 10, insert

“Sec. 2. Minnesota Statutes 1976, Section 145.74, is amended to read:

145.74 [HEALTH PLANNING AGENCIES; MEMBERSHIP REGULATIONS.] The state planning agency shall, subject to chapter 15, after consulting with the state board of health promulgate regulations concerning the membership of area wide comprehensive health planning agencies. The regulations shall include, but not be limited to, the following factors. The regulations shall:

(1) comply with the provisions of the Partnership for Health Act, P.L. 89-749, as amended, and with the National Health Planning and Resources Development Act, P.L. 93-641;

(2) provide that a majority of the membership be composed of consumers;

(3) provide for representation of hospital and nursing home providers;

(4) provide for representation of licensed medical doctors and other health professionals;

(5) provide for a fixed term of membership; and

(6) provide that members of an area wide comprehensive health planning agency shall not select their successors ; and

(7) allow for the creation of an executive committee of not more than 25 members to take action on behalf of the area wide comprehensive health planning agency where required under P.L. 93-641 .

No existing area wide comprehensive health planning agency shall exercise the functions provided in sections 145.71 to 145.83

until it is in compliance with regulations issued pursuant to this section.

If there is no area wide comprehensive health planning agency in a designated area of the state in compliance with sections 145.71 to 145.83, the Minnesota state planning agency shall perform the functions and duties of an area wide comprehensive health planning agency for that area. *The area wide comprehensive health planning agency or executive committee, if any, shall act only by a majority of its members present and voting at a meeting called upon adequate notice to all of its members and at which a quorum is in attendance. A quorum for an area wide comprehensive health planning agency, or executive committee, shall be not less than one-half of its members.*”

Page 3, line 12, after the period, insert “*Section 2 shall be effective for all decisions of comprehensive health planning agencies beginning January 1, 1978.*”

Renumber the sections in sequence

Amend the title as follows:

Line 3, after the semicolon, insert “*modifying voting requirements for area wide comprehensive health planning agencies;*”

Line 4, strike “*Section*” and insert “*Sections*” and after “123.70” insert “; and 145.74”

The motion prevailed. So the amendment was adopted.

H. F. No. 2197, which the committee recommends to pass with the following amendment offered by Mr. Knoll:

Page 4, line 5, reinstate the stricken language

On motion of Mr. Coleman, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

Without objection, the Senate reverted to the Order of Business of Messages from the House.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 2527.

H. F. No. 2527: A bill for an act relating to the organization and operation of state government; clarifying, supplementing, and providing for deficiencies in appropriations for the expenses of state government with certain conditions; providing for payment of claims; shortening time for cancellation of certain drafts; authorizing fees and special accounts in certain cases; transferring duties; extending existence of advisory council or economic status of women; appropriating money; amending Minnesota Statutes 1976, Sections 3.736, Subdivision 7; 3.98, Subdivision 4; 10.15; 10A.20, Subdivision 3, as amended; 10A.27, Subdivision 4, as

amended; 10.32, Subdivision 3, as amended; 15.061; 16.32, Subdivision 1; 16A.128; 16A.15, Subdivision 1; 16A.60; 16A.67, Subdivision 2; 60A.13, Subdivision 7; 60A.14, Subdivision 1; 136A.29, Subdivision 9; 242.385, Subdivision 1; 299C.10; 299C.11; 299D.03, Subdivision 6; 341.12; 363.14, Subdivision 1; 480.13; and Chapter 16A, by adding sections; Minnesota Statutes, 1977 Supplement, Sections 15A.083, Subdivision 4, and by adding a subdivision; 16.125, Subdivisions 1 and 3; 16.72, Subdivision 7; 43.42; 43.43, Subdivision 2; 120.17, Subdivision 7a; 139.18, Subdivision 2; 298.28, Subdivision 1; 473.591, Subdivision 3; 484.62; 484.68, Subdivision 6; and 484.68, by adding subdivisions; amending Laws 1976, Chapter 337, Sections 1, Subdivision 4; and 4; amending Laws 1977, Chapter 421, Section 13, by adding a subdivision; Laws 1977, Chapter 445, Section 3, Subdivision 3; Laws 1977, Chapter 454, Section 5, Subdivision 1; repealing Minnesota Statutes 1976, Sections 3.732, Subdivision 4; 16.171; 60A.13, Subdivisions 3 and 4; 162.19; 325.64 to 325.76; and 363.122.

And the House respectfully requests that a Conference Committee of five members be appointed thereon.

Norton, Kahn, Eckstein, Samuelson and Searle have been appointed as such committee on the part of the House.

House File No. 2527 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 14, 1978

Mr. Moe moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 2527, and that a Conference Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1918.

H. F. No. 1918: A bill for an act relating to taxation; income tax; clarifying the exemption of certain pension benefits; amending Minnesota Statutes, 1977 Supplement, Section 290.01, Subdivision 20; repealing Minnesota Statutes, 1977 Supplement, Section 290.08, Subdivision 6.

And the House respectfully requests that a Conference Committee of three members be appointed thereon:

Skoglund, Vanasek and Tomlinson have been appointed as such committee on the part of the House.

House File No. 1918 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 14, 1978

Mr. McCutcheon moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1918, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 2250:

H. F. No. 2250: A bill for an act relating to taxation; increasing credits available to certain taxpayers; removing sales taxes on residential heating fuels; providing additional refunds for residential heating cost for certain taxpayers; reducing the income tax rate on corporations; eliminating the arithmetic average from the formula used for the apportionment of trade or business income among states; amending Minnesota Statutes 1976, Sections 290.06, Subdivisions 1 and 3d; 290.19, Subdivision 1; 290.361, Subdivision 2; 290A.07, Subdivision 1; 297A.25, Subdivision 1; Chapter 290, by adding a section; and Chapter 290A, by adding a section; and Minnesota Statutes, 1977 Supplement, Sections 290.06, Subdivision 3c; and 290A.06.

And the House respectfully requests that a Conference Committee of five members be appointed thereon:

Kelly, W.; Sabo; Anderson, I.; Vanasek and Savelkoul have been appointed as such committee on the part of the House.

House File No. 2250 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 14, 1978

Mr. McCutcheon moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 2250, and that a Conference Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 2196:

H. F. No. 2196: A bill for an act relating to claims against the state; appropriating money for the payment thereof.

And the House respectfully requests that a Conference Committee of five members be appointed thereon:

McCarron; Arlandson; Faricy; Sieben, M.; and Carlson, D. have been appointed as such committee on the part of the House.

House File No. 2196 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 14, 1978

Mr. Menning moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 2196, and that a Conference Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 2098:

H. F. No. 2098: A bill for an act relating to family planning services; providing for special grants to provide family planning services; requiring informed consent; providing a penalty; appropriating funds; amending Minnesota Statutes 1976, Section 145.922, by adding subdivisions.

And the House respectfully requests that a Conference Committee of three members be appointed thereon:

Berglin, Reding and Kaley have been appointed as such committee on the part of the House.

House File No. 2098 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 14, 1978

Mrs. Staples moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 2098, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Peterson moved that S. F. No. 1738 be stricken from General Orders and returned to its author. The motion prevailed.

Mr. Coleman moved that the Senate do now adjourn until 12:30 o'clock p.m., Wednesday, March 15, 1978. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

NINETY-SECOND DAY

St. Paul, Minnesota, Wednesday, March 15, 1978

The Senate met at 12:30 o'clock p.m. and was called to order by the President.

CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate. The following Senators answered to their names:

Benedict	Gearty	Luther	Perpich	Staples
Borden	Hanson	Menning	Peterson	Strand
Brataas	Hughes	Merriam	Pillsbury	Stumpf
Chmielewski	Jensen	Nelson	Renneke	Ueland, A.
Coleman	Johnson	Nichols	Schmitz	Vega
Davies	Keefe, S.	Ogdahl	Setzepfandt	Willet
Dunn	Kirchner	Olhoft	Sieloff	
Engler	Kleinbaum	Olson	Sikorski	
Frederick	Laufenburger	Penny	Spear	

The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rabbi Harold Schecter.

The roll was called, and the following Senators answered to their names:

Anderson	Frederick	Knutson	Olson	Sillers
Ashbach	Gearty	Laufenburger	Penny	Solon
Benedict	Gunderson	Lessard	Perpich	Spear
Bernhagen	Hanson	Lewis	Peterson	Staples
Borden	Hughes	Luther	Pillsbury	Stokowski
Brataas	Humphrey	McCutcheon	Purfeerst	Strand
Chenoweth	Jensen	Menning	Renneke	Stumpf
Chmielewski	Johnson	Merriam	Schaaf	Ueland, A.
Coleman	Keefe, S.	Moe	Schmitz	Ulland, J.
Davies	Kirchner	Nelson	Schrom	Vega
Dieterich	Kleinbaum	Nichols	Setzepfandt	Wegener
Dunn	Knaak	Ogdahl	Sieloff	Willet
Engler	Knoll	Olhoft	Sikorski	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

MEMBERS EXCUSED

Messrs. Bang; Keefe, J. and Tennessen were excused from the Session of today. Mr. Schaaf was excused from the Session of today until 1:30 o'clock p.m.

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. 336: A bill for an act relating to Spanish-speaking people; creating a state board on affairs of the Spanish-speaking people; appropriating money.

Senate File No. 336 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 14, 1978

Mr. Coleman moved that S. F. No. 336 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce the adoption by the House of the following House Concurrent Resolution, herewith transmitted:

House Concurrent Resolution No. 10: A house concurrent resolution relating to the delivery of bills to the governor after final adjournment.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 14, 1978

Mr. Coleman moved that House Concurrent Resolution No. 10 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 1699, 1803, 1806, 2327, 1713, 2015, 2044, 2201, 960, 961, 1805, 2137, 2261, 2292 and 2027.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 14, 1978

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, herewith returned: S. F. No. 1684.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 14, 1978

FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H. F. No. 1699: A bill for an act relating to taxation; providing that compensation for service in the Minnesota national guard or the reserve armed forces of the United States be exempt from the income tax; directing the adjutant general to study enlistment and reenlistment incentives; amending Minnesota Statutes, 1977 Supplement, Section 290.01, Subdivision 20.

Referred to the Committee on Taxes and Tax Laws.

H. F. No. 1803: A bill for an act relating to taxation; property tax; providing for delay in increased valuation on certain rehabilitation projects.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1628.

H. F. No. 1806: A bill for an act relating to taxation; tax returns; excepting certain tax information about liquor license applicants from confidentiality requirements; amending Minnesota Statutes 1976, Section 297A.43; Chapters 290, by adding a section; and 297A, by adding a section; and Minnesota Statutes, 1977 Supplement, Section 290.61.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 2294.

H. F. No. 2327: A bill for an act relating to unemployment compensation; limiting the coverage of agricultural employers of certain children; amending Minnesota Statutes, 1977 Supplement, Section 268.04, Subdivision 12.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 2136 now on General Orders.

H. F. No. 1713: A bill for an act relating to the department of veterans affairs; establishing a nursing home for veterans in Hastings; appropriating money; amending Minnesota Statutes, 1977 Supplement, Section 246.02, Subdivision 2.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1577 now on General Orders.

H. F. No. 2015: A bill for an act relating to state government; providing for classifying certain CETA employees as state employees.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1876 now on General Orders.

H. F. No. 2044: A bill for an act relating to shade tree disease control; extending the special levy authority for sanitation and reforestation; clarifying utilization of appropriations; authorizing extension of temporary rules; amending Minnesota Statutes, 1977 Supplement, Section 275.50, Subdivision 6.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1755.

H. F. No. 2201: A bill for an act relating to housing; providing funds for housing programs for native Americans; appropriating money; amending Minnesota Statutes 1976, Sections 462A.07, by adding a subdivision; 462A.21, by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1806 now in Bill Scheduling.

H. F. No. 960: A bill for an act relating to data processing; by certain public bodies; its regulation and control; establishing the Minnesota advisory council for information systems; prescribing its powers and duties; appropriating money; amending Minnesota Statutes 1976, Sections 3.976; 16.80, by adding a subdivision; 16.90, Subdivision 4; 16.94; and 16.95; repealing Minnesota Statutes 1976, Sections 16.91 and 16.911.

Referred to the Committee on Finance.

H. F. No. 961: A bill for an act relating to education; data processing; establishing the Minnesota educational computing consortium as a state agency; prescribing powers and duties therefor; repealing Minnesota Statutes 1976, Section 16.93.

Referred to the Committee on Education.

H. F. No. 1805: A bill for an act relating to taxation; clarifying tax status of certain leased United States property; limiting the assessment and taxation of certain leased property; clarifying status of certain taconite taxes; amending Minnesota Statutes 1976, Section 273.19, Subdivision 1, and by adding a subdivision; and Chapter 275, by adding a section.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 2217 now in Bill Scheduling.

H. F. No. 2137: A bill for an act relating to natural resources; concerning water resources; revising certain provisions concerning dams, reservoirs, control structures, and waterway obstructions; prescribing certain fees to finance safety examinations relating to such projects; appropriating money; amending Minnesota Statutes 1976, Sections 105.42, Subdivision 2; 105.482, Subdivision 2, and by adding a subdivision; 105.52; 105.53; Chapter 105, by adding a section; and Minnesota Statutes, 1977 Supplement, Sections 105.44, Subdivision 10; and 105.482, Subdivision 5.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 2156.

H. F. No. 2261: A bill for an act relating to energy; changing the powers of the Minnesota energy agency; implementing certain residential energy efficiency standards; establishing insulation product and application standards; prescribing penalties; appro-

priating money; amending Minnesota Statutes 1976, Section 116H.08; and Minnesota Statutes, 1977 Supplement, Section 116H.129, Subdivision 1, and by adding subdivisions.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1706 now on General Orders.

H. F. No. 2292: A bill for an act relating to cities; establishing requirements for financial statements, reports and audits; providing a time limit for submissions of certain reports to the state auditor; providing for enforcement of reporting requirements; appropriating money; amending Minnesota Statutes 1976, Chapter 471, by adding sections; repealing Minnesota Statutes 1976, Sections 412.281 and 412.291.

Referred to the Committee on Finance.

H. F. No. 2027: A bill for an act relating to marriage and divorce; revising provisions allowing minors to marry; modifying prohibitions of marriage between certain parties; modifying requirements to receive a marriage license; modifying penalties for certain offenses; providing that children born of a prohibited marriage are legitimate; revising procedures and grounds for annulment actions; declaring the legal rights of putative spouses; providing new procedures for actions of dissolution and legal separation; limiting grounds for a dissolution to a finding that the marriage is irretrievably broken; modifying procedures for custody proceedings; declaring the right of a custodial parent to determine a child's upbringing; defining marital property; defining provisions for an award of maintenance to a spouse; amending Minnesota Statutes 1976, Sections 517.02; 517.03; 517.04; 517.05; 517.06; 517.07; 517.09; 517.13; 517.14; 517.15; 517.16; 517.19; 518.01; 518.02; 518.03; 518.05; 518.06, Subdivision 1, and by adding a subdivision; 518.07; 518.09; 518.10; 518.11; 518.13; 518.14; 518.16; 518.165; 518.17; 518.175, Subdivisions 1 and 3, and by adding a subdivision; 518.18; 518.24; 518.27; 518.54; 518.55; 518.57; 518.58; 518.61; 518.62; 518.63; 518.64; 518.65; Chapter 517, by adding a section; and Chapter 518, by adding sections; and Minnesota Statutes, 1977 Supplement, Sections 517.01; 517.08, Subdivisions 1 and 3; 518.155; and 518.551; repealing Minnesota Statutes 1976, Sections 517.17; 518.06, Subdivision 2; 518.15; 518.29; 518.59; and 518.67.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1826.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Coleman from the Committee on Rules and Administration, to which were referred

H. F. Nos. 2047, 2451, 2374 for comparison with companion Senate Files, reports the following House Files were found identi-

cal and recommends the House Files be given their second reading and substituted for their companion Senate Files 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.
2047	1901				
2451	2308				
2374	2372				

and that the above Senate Files be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred

H. F. No. 2010 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.
2010	2139				

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which were referred

H. F. Nos. 2248 and 1995 for comparison with companion Senate Files, reports the following House Files were found identical and recommends the House Files be given their second reading and substituted for their companion Senate Files 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.
1995	1861			2248	1949

and that the above Senate Files be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which were referred

H. F. Nos. 2291 and 2307 for comparison with companion Senate

Files, reports the following House Files were found not identical with their companion Senate Files 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.
2291	1848				
2307	2204				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2291 be amended as follows:

Page 1, delete lines 12 to 23 and insert

"Subd. 10. With respect to any caretaker, manager or other on-site employee of a residential building for whom all or a major portion of his housing is provided in return for services rendered, "hours worked" as contained in rules promulgated pursuant to section 177.28, subdivision 1, shall not mean time during which such person is required to be available on the premises but is not otherwise performing any duties of employment."

And when so amended H. F. No. 2291 will be identical to S. F. No. 1848, and further recommends that H. F. No. 2291 be given its second reading and substituted for S. F. No. 1848, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2307 be amended as follows:

Page 1, line 21, delete the new language

Page 1, line 22, restore the stricken language and delete the new language

Page 1, line 23, delete the new language

Page 2, delete lines 16 to 32

Page 3, delete lines 1 to 21

Further, amend the title as follows:

Page 1, line 3, delete "requiring wholesalers to maintain a"

Page 1, delete line 4

Page 1, line 5, delete "the city of St. Paul;"

Page 1, line 6, delete "Sections 340.07, Subdivision 8;" and insert "Section"

Page 1, line 7, delete "; and Chapter 340, by adding a" and insert a period

Page 1, delete line 8

And when so amended H. F. No. 2307 will be identical to S. F.

No. 2204, and further recommends that H. F. No. 2307 be given its second reading and substituted for S. F. No. 2204, 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. Coleman from the Committee on Rules and Administration, to which were referred

H. F. Nos. 2075, 2270, 2461, 449, 1476, 2146, 2041, 2516, 1317, 1246, 1091, 1819 for comparison with companion Senate Files, reports the following House Files were found not identical with their companion Senate Files 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.
2075	2075			1091	954
2270	2248			1819	1753
2461	2081				
449	526				
1476	1839				
2146	1983				
2041	2000				
2516	2048				
1317	1013				
1246	1464				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2075 be amended as follows:

Page 1, line 25, delete the new language

Page 2, delete lines 1 to 3 and insert "*All the documents shall meet and be in full compliance with all applicable building codes and ordinances.*"

And when so amended H. F. No. 2075 will be identical to S. F. No. 2075, and further recommends that H. F. No. 2075 be given its second reading and substituted for S. F. No. 2075, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2270 be amended as follows:

Page 2, delete line 12 and insert "*officials. The*"

Page 6, line 19, restore the stricken language and delete the new language

Page 6, line 21, delete "*, one of whom may be a constable*" and strike the comma

Page 6, line 22, delete "*other*"

Page 8, line 8, delete the new language

Page 8, line 9, restore the stricken language and delete the new language

And when so amended H. F. No. 2270 will be identical to S. F. No. 2248, and further recommends that H. F. No. 2270 be given its second reading and substituted for S. F. No. 2248, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2461 be amended as follows:

Page 1, after line 8 insert

“Section 1. Minnesota Statutes, 1977 Supplement, Section 216B.16, Subdivision 2, is amended to read:

Subd. 2. Whenever there is filed with the commission any schedule modifying or resulting in a change in any rates then in force, ~~together with the filed statements of facts, expert opinions, substantiating documents, and exhibits, supporting the changes requested, the commission shall upon complaint or may upon its own motion, upon reasonable notice to the governing bodies of municipalities affected, conduct a hearing to determine whether the rates are unjust or unreasonable. Pending the hearing and the decision thereon as provided in subdivision 1~~, the commission may suspend the operation of the schedule by filing with the schedule of rates and delivering to the affected utility a statement in writing of its reasons for the suspension, at any time before the rates become effective. The suspension shall not be for a longer period than 90 days beyond the time when the schedule of rates would otherwise go into effect ~~unless the commission finds that a longer time will be required. If a longer time is required~~ *During the suspension the commission shall determine whether all questions of the reasonableness of the rates requested raised by persons deemed interested or by the administrative division of the department of public service can be resolved to the satisfaction of the commission. If the commission finds that all significant issues raised cannot be resolved to its satisfaction, or upon petition by ten percent of the affected customers or 100 affected customers, whichever is less, it shall refer the matter to the office of hearing examiners with instructions for a public hearing as a contested case pursuant to chapter 15, and may further extend the period of suspension for a period not to exceed a total of nine months. If the commission does not make a final determination concerning any schedule of rates within a period of nine months beyond the time when the schedule of rates would otherwise go into effect, under subdivision 1, the schedule shall be deemed to have been approved by the commission. For the purposes of this subdivision, “final determination” means the initial decision of the commission and not any order which may be entered by the commission in response to a petition for rehearing or other further*

relief. The commission may further suspend rates until it determines all such petitions.

Sec. 2. Minnesota Statutes, 1977 Supplement, Section 237.075, Subdivision 2, is amended to read:

Subd. 2. When there is filed with the commission *as provided in subdivision 1* a schedule modifying or resulting in a change in any rate then in force, ~~together with the filed statements of fact, expert opinions, substantiating documents, and exhibits, supporting the changes requested, the commission shall upon complaint or may upon its own motion, upon reasonable notice to the governing bodies of municipalities and counties affected, conduct a hearing to determine whether the rates are unjust or unreasonable. Pending the hearing and the decision thereon, the commission may suspend the operation of the schedule by filing of the schedule of rates and delivering to the affected telephone company a statement in writing of its reasons for the suspension at any time before the rates become effective. The suspension shall not be for a longer period than 90 days beyond the time when the schedule of rates would otherwise go into effect unless the commission finds that a longer time will be required. If a longer time is required the commission~~ *During the suspension the commission shall determine whether all questions of the reasonableness of the rates requested raised by persons deemed interested or by the administrative division of the department of public service can be resolved to the satisfaction of the commission. If the commission finds that all significant issues raised cannot be resolved to its satisfaction, or upon petition by ten percent of the affected customers or 100 affected customers, whichever is less, it shall refer the matter to the office of hearing examiners with instructions for a public hearing as a contested case pursuant to chapter 15, and may further extend the period of suspension, but in no event shall the period of suspension be more than nine months from the date when the schedule of rates would otherwise go into effect. If the commission does not make a final determination on or before the expiration of 12 months from the date the rates were initially filed, the schedule of rates shall be deemed to have been approved by the commission. The overcharge resulting from implementation of the schedule prior to the final determination of the commission shall be refunded to the customers of the telephone company in a manner prescribed by rules of the commission. For the purposes of this subdivision "final determination" means the initial decision of the commission and not any order which may be entered by the commission in response to a petition for rehearing or other further relief. The commission may further suspend rates until it determines all such petitions.*"

Page 3, delete line 22

Renumber the sections in order

Strike the title and insert:

"A bill for an act relating to public utilities; providing for rate case settlement without a hearing; providing for the assessment

of all costs of regulating telephone companies; amending Minnesota Statutes 1976, Chapter 237, by adding a section; and Minnesota Statutes, 1977 Supplement, Sections 216B.16, Subdivision 2; and 237.075, Subdivision 2; repealing Minnesota Statutes 1976, Section 237.29, as amended.”

And when so amended H. F. No. 2461 will be identical to S. F. No. 2081, and further recommends that H. F. No. 2461 be given its second reading and substituted for S. F. No. 2081, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 449 be amended as follows:

Delete page 1, line 12 to page 6, line 7

Strike the title and insert:

“A bill for an act relating to game and fish; prohibiting certain means of taking fish; permitting the use of tip-ups; amending Minnesota Statutes 1976, Section 101.42, Subdivisions 11 and 20.”

And when so amended H. F. No. 449 will be identical to S. F. No. 526, and further recommends that H. F. No. 449 be given its second reading and substituted for S. F. No. 526, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1476 be amended as follows:

Page 5, line 11 delete “*provision of necessary*” and insert “*active promotion, encouragement, and development of adequate*”

Page 5, line 12, after “*services*” insert “*might*” and after “*to*” insert “*all*”

Page 6, line 23, delete the period after “*1c*” and insert a semi-colon

Page 6, delete lines 24 to 32

And when so amended H. F. No. 1476 will be identical to S. F. No. 1839, and further recommends that H. F. No. 1476 be given its second reading and substituted for S. F. No. 1839, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2146 be amended as follows:

Page 1, line 22, delete "*of this act*"

Page 2, line 10, delete "*of this act*"

Page 3, line 12, delete "*the effective date of this act*" and insert "*August 1, 1978*"

Page 3, line 14, delete "*the*"

Page 3, line 15, delete "*effective date of this act*" and insert "*August 1, 1978*"

Page 3, line 20, restore the stricken language and delete the new language

Page 3, line 21, restore the stricken "*more*" and delete "*less*" and also delete "*five nor more than seven*" and insert "*six*"

Page 4, line 15, delete "*the effective date of this act*" and insert "*August 1, 1978*"

Page 4, line 18, delete "*the effective date of this act*" and insert "*August 1, 1978*"

Page 5, line 31, delete "*such*" and insert "*the*"

Page 5, line 32, delete "*as is*"

Page 6, line 5, delete "*such*" and insert "*the*" and delete "*as*"

Page 6, line 6, delete "*is*"

Page 6, line 14, delete "*such*" and insert "*the*"

Page 6, line 19, delete "*such*" and insert "*the*"

Page 6, line 29, delete "*such*" and insert "*the*"

Page 6, line 32, delete "*such*" and insert "*the*"

Page 7, line 3, delete "*such*" and insert "*the*"

Page 7, line 14, delete "*such*" and insert "*that*"

Page 7, line 17, delete "*such*" and insert "*that*"

Page 9, line 18, delete "*such*" and insert "*the*"

Page 9, line 24, delete "*such*" and insert "*the*"

Page 10, line 2, delete "*such*" and insert "*the*"

Page 10, line 5, delete "*such*" and insert "*the*"

Page 10, line 9, delete "*such*" and insert "*the*"

Page 10, line 10, delete "*such*" and insert "*the*"

Page 10, line 29, delete "*such*" and insert "*the*"

Page 11, line 22, delete "*such*" and insert "*the*"

Page 11, line 25, delete "*such*" and insert "*the*"

Page 11, line 27, delete "*such*" and insert "*the*"

Page 11, line 30, delete "*the effective date of this act*" and insert "*August 1, 1978*"

Page 12, line 1, delete the second "*the*"

Page 12, line 2, delete "*effective date of this act*" and insert "*August 1, 1978*"

Page 12, line 8, delete "*the second anniversary of*"

Page 12, line 9, delete everything before the period and insert "*August 1, 1980*"

Page 12, line 22, delete "*of this*"

Page 12, line 23, delete "*act*"

Page 12, line 26, delete "*such*"

Page 12, line 27, delete "*the effective date of this act*" and insert "*August 1, 1978*"

Page 12, line 30, delete "*the effective*"

Page 12, line 31, delete "*date of this act*" and insert "*August 1, 1978*"

Page 13, line 10, restore the stricken language and delete the new language

Page 13, line 11, restore the stricken "*more*" and delete "*less*" and also delete "*five nor more than seven*" and insert "*six*"

Page 15, line 8, delete "*of this act*"

Page 15, line 11, delete "*the effective date of this*" and insert "*August 1, 1978*"

Page 15, line 12, delete "*act*"

Page 15, line 25, delete "*the effective date of this act*" and insert "*August 1, 1978*"

Page 15, line 27, delete "*such*" and insert "*the*"

Page 15, line 31, delete "*the effective date of this act*" and insert "*August 1, 1978*"

Page 16, line 1, delete "*such*" and insert "*the*"

Page 16, line 6, delete "*such*"

Page 16, line 9, delete the new language and insert "*August 1, 1978*"

Page 16, line 10, delete the new language

Page 16, line 16, delete the new language and insert "*August 1, 1978*"

Page 16, line 17, delete the new language

Page 17, line 5, delete "*of this act*"

Page 19, line 1, delete "*such*" and insert "*the*"

Page 19, line 4, delete "*such*" and insert "*the*"

Page 19, line 8, delete "*such*" and insert "*the*"

Page 19, line 9, delete "*such*" and insert "*the*"

Page 19, line 12, delete "*such*" and insert "*the*"

Page 19, line 15, delete "*such*" and insert "*the*"

Page 19, line 25, delete "*of this act*"

Page 21, line 18, delete "*such*" and insert "*the*"

Page 21, line 21, delete "*such*" and insert "*the*"

Page 21, line 23, delete "*such*" and insert "*the*"

And when so amended H. F. No. 2146 will be identical to S. F. No. 1983, and further recommends that H. F. No. 2146 be given its second reading and substituted for S. F. No. 1983, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2041 be amended as follows:

Page 1, after line 17 insert

"Section 1. Minnesota Statutes, 1977 Supplement, Section 43.-051, Subdivision 1, is amended to read:

43.051 [AGE FOR RETIREMENT.] Subdivision 1. Notwithstanding the provisions of sections 197.45, 197.46, 197.47, 43.30, effective July 1, 1974, an officer or employee of the state of Minnesota in the classified or unclassified service of the state civil service and who is subject to the provisions of the Minnesota state retirement system must retire from his employment by the state if such officer or employee has reached the age of 68 prior to July 1, 1974, or upon reaching the age of 68. Effective July 1, 1975, an officer or employee of the state of Minnesota in the classified or unclassified service of the state civil service and who is subject to the provisions of the Minnesota state retirement system must retire from his employment by the state if such officer or employee has reached the age of 65 prior to July 1, 1975, or upon reaching the age of 65 70 . The mandatory retirement age for all other classified officers and employees of the state, except as provided in section 354.44, subdivision 1a, or if not otherwise provided for by law, shall be 70. Nothing in this subdivision shall apply to persons in the legislative branch or judicial branch."

Page 1, line 24, delete "*mandatorily*"

Page 2, line 7, after "*statutes*" insert "*or rules*"

Page 2, line 8, before the period insert:

"provided that nothing in this section shall prohibit compulsory

retirement of employees who have attained 70 years of age and provided further that nothing in this section shall prohibit compulsory retirement of professional, executive, or administrative employees, as defined in rules promulgated pursuant to chapter 177, who have attained 65 years of age but not 70 years of age and who are entitled to an immediate non-forfeitable annual retirement benefit from a pension, profit sharing, savings or deferred compensation plan, or any combination of these plans, of the employer of the employee, which equal in the aggregate at least \$27,000. If the retirement benefit is in a form other than a straight life annuity, the value of the benefit shall be determined according to rules promulgated by the commissioner of labor and industry"

Page 2, line 19, delete "such"

Page 2, line 20, delete "Such"

Page 2, line 24, before the period insert "or until the employee reaches the compulsory retirement age established by the employer"

Page 3, line 8, after "in" insert "the employer contribution"

Page 3, line 9, delete "funding or benefit"

Page 5, line 32, delete "such an" and insert "the"

Page 6, line 4, after "statute" insert "or the age is not less than 70 years"

Page 6, line 6, delete "181.81" and insert "1 of this act"

Page 6, line 7, delete "181.81" and insert "1 of this act"

Page 6, after line 19, insert

"Sec. 5. Minnesota Statutes, 1977 Supplement, Section 422A.09, Subdivision 3, is amended to read:

Subd. 3. The exempt class shall consist of:

(1) Employees who are members of any other organization or association of the city on behalf of which a tax is levied by the city for the purpose of paying retirement allowances to disabled or superannuated employees.

(2) Persons filling elective position. Provided that any elective officer holding an elective city office, excepting judges of a municipal court, shall, upon written application to the retirement board, be entitled to become a member of the contributing class of the fund, and after becoming a contributor to the fund be entitled to all benefits conferred upon employees of the contributing class except retirement on a service allowance, which shall be granted only upon completion of ten or more years of service.

All retirement allowances shall be computed and determined as provided herein, except that in determining the number of years of service, credit shall be given for time served as an elective officer or employee, or member of an executive board or commission or any combination thereof. Persons who have served in elective posi-

tions which qualified them for membership in the fund prior to July 1, 1967, and who immediately thereafter hold elective office, first being appointed to that elective office in Hennepin county in which they served as an elected official, may retain or resume membership in the fund as an elective officer of the county. The county shall collect and pay to the retirement fund the employee contribution. The employer cost of allowances and benefits credited to an elected officer as set forth above shall be paid from the county revenue fund by the proper county officials upon certification of such costs by the retirement board in the same manner as prescribed in section 422A.08 for the payment of costs by public corporations. A tax shall be levied by Hennepin county to defray the cost of such retirement allowances which may be in addition to all other taxes levied by the county. Before receiving a retirement allowance, or any other benefit, any person who claims credit for service under this section shall contribute to the fund an amount equal to the amount of contributions to the fund which such person would have made had he been a contributor to the fund since the date he first became eligible for membership in the fund, in accordance with the method of contribution herein provided for, plus four percent compound interest.

(3) Person serving without pay.

(4) Persons employed on a temporary basis, as doorkeepers, ticket takers, and attendants at the municipal auditorium, park recreation facilities, or like activities, employed less than 1000 hours, or its equivalent if employed on any other basis than an hourly basis, in any calendar year from January 1, to December 31, inclusive, provided that employees who are contributing members of the fund on July 1, 1959 shall not be affected by the exclusions contained in this section.

(5) A person who is exempted from the contributing class by Minnesota Statutes 1974, Section 422A.09, Subdivision 3, Clauses (4) and (5), but who is employed by and paid, in whole or in part, by the city or any of its boards, departments, or commissions, operated as a department of the city government or independently, if financed in whole or in part by city funds, including any person employed by a public corporation as herein defined, and including any person employed by the Minneapolis school district, each of whom are not a member of any other retirement system, who later becomes a contributing member of the fund may elect to qualify such time for credit by paying into the fund an amount equal to the amount of contributions to the fund which such person would have made had he been a contributor to the fund since the date he first qualified as an exempt member of the contributing class, in accordance with the method of contribution herein provided, plus four percent compound interest.

(6) Any person who is employed by the city or any of its boards, departments, commissions or a public corporation, as herein outlined, and is excluded from participation in the fund by paragraph (4) shall be separated from the service upon reaching the

age of 65 70 regardless of the provisions of the veterans preference act.”

Page 6, line 28, restore the stricken language

Page 6, line 29, restore the stricken language

Page 6, after the stricken “65” insert “70” and restore the remainder of the line

Page 6, lines 31 and 32, restore the stricken language

Page 6, after line 32 insert

“Sec. 7. Minnesota Statutes 1976, Chapter 423, is amended by adding a section to read:

[423.076] [RETIREMENT; POLICE AND FIRE DEPARTMENTS.] *A compulsory retirement age of not less than 65 years may be established for persons on the payroll of a police or fire department which does not come within the provisions of section 423.075 or 423.26 without being a violation of section 2 of this act or section 4 of this act.*”

Page 7, delete lines 1 to 32

Page 8, delete lines 1 to 27

Page 8, line 29, delete “March 15” and insert “June 1”

Page 9, line 1, after “act” insert “which mandates retirement prior to attaining 70 years of age”

Page 9, line 6, after “policy” insert “which mandates retirement prior to attaining 70 years of age”

Page 9, line 6, delete “March 15” and insert “June 1”

Page 9, line 8, after “containing” insert “such”

Renumber the sections accordingly

Further, strike the title and insert

“A bill for an act relating to labor and employment; prohibiting mandatory retirement of public or private employees before the age of 70; rights and remedies of employees; amending Minnesota Statutes 1976, Sections 356.32; 422A.13, Subdivision 2; 423.075, Subdivision 1; and Chapters 181, by adding a section; 423, by adding a section and Minnesota Statutes, 1977 Supplement, Sections 43.051, Subdivision 1; 363.02, Subdivision 6; 422A.09, Subdivision 3.”

And when so amended H. F. No. 2041 will be identical to S. F. No. 2000, and further recommends that H. F. No. 2041 be given its second reading and substituted for S. F. No. 2000, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2516 be amended as follows:

Page 32, line 12, after "*paragraphs*" insert "*(b) and*"

And when so amended H. F. No. 2516 will be identical to S. F. No. 2048, and further recommends that H. F. No. 2516 be given its second reading and substituted for S. F. No. 2048, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1317 be amended as follows:

Page 1, delete lines 10 to 17 and insert "Section 1. Minnesota Statutes 1976, Chapter 257, is amended by adding a section to read:"

Page 1, line 18, delete "sec. 2." and insert "[257.071]"

Page 1, line 21, delete "*, either*"

Page 1, line 23, delete "*Within one year after the effective date of this act*" and insert "*By July 1, 1979*"

Page 2, line 1, delete "*all children placed in a foster*"

Page 2, delete line 2 and insert "*each child who was residing in a foster home on July 1, 1978 and who has not been returned to the home of his natural parent or parents.*"

Page 2, line 4, delete "*ordered by the court or*"

Page 2, line 7, after "*placement*" insert a new comma

Page 2, line 9, after "*child*" insert "*who has signed the document*"

Page 2, delete lines 28 and 29

Page 2, line 30, delete "*(7)*" and insert "*(6)*"

Page 2, after line 31 insert

"*(7) The nature of the effort to be made by the social service agency responsible for the placement to reunite the family; and*"

Page 2, line 32, after "*parent*" insert "*or parents*"

Page 3, line 2, delete "*full*" and delete "*of termination proceedings*"

Page 3, line 3, delete "*pursuant to section 260.231*" and insert "*and a hearing as providing in chapter 260*"

Page 3, line 8, delete "*the child's*" and insert "*his*"

Page 3, line 9, after "*may*" insert "*also*"

Page 3, delete lines 15 to 32

Page 4, delete lines 1 to 32

Page 5, delete lines 1 to 17 and insert

"Subd. 2. [SIX MONTH REVIEW OF VOLUNTARY PLACEMENTS.] If the child has been placed in a foster home pursuant to a voluntary release by his natural parent or parents, the case plan shall be reviewed by the persons involved in its preparation 180 days after the initial placement of the child in a foster home if the child is not returned to the home of his natural parent or parents within that time.

Subd. 3. [18 MONTH REVIEW OF VOLUNTARY PLACEMENTS.] If the child has been placed in a foster home pursuant to a voluntary release by his natural parent or parents, and is not returned to his home within 18 months after his initial placement in the foster home, the social service agency responsible for the placement shall:

(a) Return the child to the home of his natural parent or parents; or

(b) File an appropriate petition pursuant to sections 260.131 or 260.231."

Page 5, line 20, before "Upon" insert "Subdivision 1." and strike "such" and insert "the"

Page 5, line 24, strike "such" and insert "the"

Page 5, line 26, strike "such" and insert "the"

Page 5, line 29, strike "in fact"

Page 5, line 31, strike "such" and insert "the"

Page 5, line 32, strike "such" and insert "the"

Page 6, line 8, before "Notwithstanding" insert "Subd. 2." and make subdivision 2 a new paragraph

Page 6, line 9, delete "this section" and insert "subdivision 1"

Page 6, delete lines 12 to 32

Page 7, delete lines 1 to 22 and insert

"Sec. 3. Minnesota Statutes 1976, Section 260.015, is amended by adding a subdivision to read:

Subd. 18. "Neglected and in foster care" means a child

(a) Who has been placed in foster care by court order; and

(b) Whose parents' circumstances, condition, or conduct are such that the child cannot be returned to them; and

(c) Whose parents, despite the availability of needed rehabilitative services, have failed to make reasonable efforts to adjust their circumstances, condition or conduct, or have willfully failed to meet reasonable expectations with regard to visiting the child or providing financial support for the child.

Sec. 4. Minnesota Statutes 1976, Section 260.111, Subdivision 1, is amended to read:

260.111 [JURISDICTION.] Subdivision 1. [CHILDREN WHO ARE DELINQUENT, NEGLECTED, DEPENDENT OR NEGLECTED AND IN FOSTER CARE.] Except as provided in section 260.125, the juvenile court has original and exclusive jurisdiction in proceedings concerning any child who is alleged to be delinquent, a juvenile traffic offender, neglected, *neglected and in foster care*, or dependent, and in proceedings concerning any minor alleged to have been a delinquent or a juvenile traffic offender prior to having become eighteen years of age. The juvenile court shall deal with such a minor as it deals with any other child who is alleged to be delinquent or a juvenile traffic offender.

Sec. 5. Minnesota Statutes 1976, Section 260.131, Subdivision 1, is amended to read:

260.131 [PETITION.] Subdivision 1. Any reputable person, including but not limited to any agent of the commissioner of public welfare, having knowledge of a child in this state or of a child who is a resident of this state, who appears to be delinquent, neglected, or dependent, or *neglected and in foster care*, may petition the juvenile court in the manner provided in this section.

Sec. 6. Minnesota Statutes 1976, Section 260.155, is amended by adding a subdivision to read:

Subd. 7. In determining whether a child is neglected and in foster care, the court shall consider, among other factors, the following:

- (1) The length of time the child has been in foster care;*
- (2) The effort the parent has made to adjust his circumstances, conduct, or condition to make it in the child's best interest to return him to his home in the foreseeable future, including the use of rehabilitative services offered to the parent;*
- (3) Whether the parent has visited the child within nine months, unless it was physically or financially impossible for the parent to visit or not in the best interests of the child to be visited by the parent;*
- (4) The maintenance of regular contact or communication with the agency or person temporarily responsible for the child;*
- (5) The appropriateness and adequacy of services provided or offered to the parent to facilitate a reunion;*
- (6) Whether additional services would be likely to bring about lasting parental adjustment enabling a return of the child to the parent within an ascertainable period of time; and*
- (7) The nature of the effort made by the responsible social service agency to rehabilitate and reunite the family.*

Sec. 7. Minnesota Statutes 1976, Section 260.191, Subdivision 1, is amended to read:

260.191 [DISPOSITIONS; CHILDREN WHO ARE NEGLECTED, DEPENDENT, OR NEGLECTED AND IN FOSTER CARE.] Subdivision 1. If the court finds that the child is neglected, or dependent, or *neglected and in foster care*, it shall enter an order making any of the following dispositions of the case:

(a) Place the child under the protective supervision of the county welfare board or child placing agency in his own home under conditions prescribed by the court directed to the correction of the neglect or dependency of the child;

(b) Transfer legal custody to one of the following:

(1) A child placing agency; or

(2) The county welfare board;

(c) If the child is in need of special treatment and care for his physical or mental health, the court may order the child's parent, guardian, or custodian to provide it. If the parent, guardian, or custodian fails to provide this treatment or care, the court may order it provided.

Any order for a disposition authorized under this section shall contain written findings of fact to support the disposition ordered, and shall also set forth in writing the following information:

(a) Why the best interests of the child are served by the disposition ordered; and

(b) What alternative dispositions were considered by the court and why such dispositions were not appropriate in the instant case.

Sec. 8. Minnesota Statutes 1976, Section 260.191, Subdivision 4, is amended to read:

Subd. 4. When it is in the best interests of the child or his parents to do so and when either the allegations contained in the petition have been admitted, or when a hearing has been held as provided in section 260.155 and the allegations contained in the petition have been duly proven, before a finding of neglect or dependency or a *finding that a child is neglected and in foster care* has been entered the court may continue the case for a period not to exceed 90 days on any one order. Such a continuance may be extended for one additional successive period not to exceed 90 days and only after the court has reviewed the case and entered its order for an additional continuance without a *finding that the child is neglected, dependent, or neglected and in foster care* of neglect or dependency. During this continuance the court may enter any order otherwise permitted under the provisions of this section.

Sec. 9. Minnesota Statutes 1976, Section 260.181, Subdivision 3, is amended to read:

Subd. 3. [PROTECTION OF RELIGIOUS AND ETHNIC AFFILIATION.] The court, in transferring legal custody of any

child or appointing a guardian for him under the laws relating to juvenile courts, shall place him so far as it deems practicable in the legal custody or guardianship of some individual holding the same religious belief *and the same ethnic origin* as the parents of the child, or with some association which is controlled by persons of like religious faith *and ethnic origin with* as the parents. *The court may require the county welfare agency to continue efforts to find a guardian of like religious faith or ethnic origin when such a guardian is not immediately available.*"

Page 8, after line 26 insert

"Sec. 11. Minnesota Statutes 1976, Section 260.235, is amended to read:

260.235 [DISPOSITION; PARENTAL RIGHTS NOT TERMINATED.] If, after a hearing, the court does not terminate parental rights but determines that conditions of neglect or dependency exist, *or that the child is neglected and in foster care*, the court may find the child neglected, ~~or dependent~~, *or neglected and in foster care* and may enter an order in accordance with the provisions of section 260.191.

Sec. 12. Minnesota Statutes 1976, Section 260.291, Subdivision 1, is amended to read:

260.291 [APPEAL.] Subdivision 1. [PERSONS ENTITLED TO APPEAL; PROCEDURE.] An appeal may be taken by the aggrieved person from a final order affecting a substantial right of the aggrieved person, including but not limited to an order adjudging a child to be dependent, neglected, *neglected and in foster care*, delinquent, or a juvenile traffic offender. The appeal shall be taken within 30 days of the filing of the appealable order. The clerk of court shall notify the person having legal custody of the minor of the appeal. Failure to notify the person having legal custody of the minor shall not affect the jurisdiction of the appellate court. The order of the juvenile court shall stand, pending the determination of the appeal, but the reviewing court may in its discretion and upon application stay the order.

Sec. 13. [REPEALER.] *Minnesota Statutes 1976, Section 257.07, is repealed.*

Sec. 14. [EFFECTIVE DATE.] *This act is effective July 1, 1978.*"

Renumber the sections in order

Further, strike the title and insert

"A bill for an act relating to children; requiring the preparation of case plans for children placed in foster care; permitting termination of parental rights as to children who are neglected and in foster care; amending Minnesota Statutes 1976, Sections 259.29; 260.015, by adding a subdivision: 260.111, Subdivision 1; 260.131, Subdivision 1; 260.155, by adding a subdivision; 260.191, Subdivisions 1 and 4; 260.181, Subdivision 3; 260.221; 260.235; and 260.291, Subdivision 1; and Chapter 257, by adding a section; repealing Minnesota Statutes 1976, Section 257.07."

And when so amended H. F. No. 1317 will be identical to S. F. No. 1013, and further recommends that H. F. No. 1317 be given its second reading and substituted for S. F. No. 1013 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1246 be amended as follows:

Strike all the language after the enacting clause of H. F. No. 1246 and insert the language after the enacting clause of S. F. No. 1464, as amended by the Committee on Judiciary, adopted by the Senate March 11, 1978; further, strike the title of H. F. No. 1246 and insert the title of S. F. No. 1464, as amended.

And when so amended H. F. No. 1246 will be identical to S. F. No. 1464, and further recommends that H. F. No. 1246 be given its second reading and substituted for S. F. No. 1464, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1091 be amended as follows:

Strike everything after the enacting clause and insert:

“Section 1. [112A.01] [POLICY STATEMENT.] Conservation of the state’s water resources is a state function, and the public interest, welfare, convenience, and necessity require the creation of water user districts and the construction of systems of works, in the manner provided, for the conservation, storage, distribution, and use of water. The construction of systems of works by districts, as provided, is hereby declared to be in all respects for the welfare and benefit of the people of Minnesota.

Sec. 2. [112A.02] [APPLICABILITY.] Sections 1 to 37 of this act shall not apply to land within Hennepin, Ramsey, Washington, Anoka, Dakota, Scott, and Carver counties.

Sec. 3. [112A.03] [DEFINITIONS.] Subdivision 1. For the purposes of this act the following terms have the definitions given in this section.

Subd. 2. “Water user district” or “district” means a district organized under this act, either as originally organized or as re-organized, altered, or extended.

Subd. 3. “Board” means the board of directors of a district organized under this act.

Subd. 4. “Works” and “system” include all lands, property,

rights, rights of way, easements, and related franchises deemed necessary or convenient for their operation, all water rights acquired or exercised by the board in connection with works, all means of conserving, controlling, and distributing water, including, but not limited to, reservoirs, dams, feeder canals, diversion canals, distributing canals, lateral ditches, structures, pumping units, mains, pipelines, and waterworks systems, and all works for the conservation, development, storage above or under the ground, spreading, distribution, and utilization of water, including, but not limited to, works for the purpose of watering of stock, supplying of water for public, domestic, industrial, and other uses.

Subd. 5. "Project" means any one of the works defined, or any combination of works which are physically connected or jointly managed and operated as a single unit.

Subd. 6. "City" means any home rule charter or statutory city.

Subd. 7. "Court" means the district court, or a judge thereof, of the judicial district which includes the largest area of land within the proposed water use district.

Sec. 4. [112A.04] [WATER USER DISTRICT; ORGANIZATION.] A water user district may be organized as provided in this act, and may sue and be sued in its corporate name. The procedure for creating and incorporating a district under the provisions of this act shall be as provided by this act.

Sec. 5. [112A.05] [PETITION FOR ORGANIZATION.] A water user district may be organized under the provisions of this act after filing with the court a petition in compliance with the requirements set forth, and the approval of the petition by the court. The petition shall state that it is the intent and purpose of the petitioners to create a district under the provisions of this act, subject to approval by the court. The petition shall contain:

- (1) The name of the proposed district;
- (2) The object and purpose of the system proposed to be constructed or acquired, together with a general description of the nature, location, and method of operation of the proposed works;
- (3) A description of the land constituting the proposed district and its boundaries, and the names of any cities or towns included partly or wholly within the boundaries;
- (4) The location of the principal place of business of the proposed district;
- (5) A statement that the proposed district shall not have the power to levy taxes or assessments;
- (6) The number of members of the board of directors of the proposed district, which shall be not less than five nor more than thirteen, a statement as to whether the directors shall be elected at large or shall be apportioned to election divisions, the names and addresses of the members who shall serve until their successors are elected and qualified as provided in this act, and if election

divisions are provided for, the respective divisions which the directors are to represent. The persons named in the petition as directors shall be owners of land within the district. If election divisions are provided for, they shall be owners of land within the divisions they are to represent.

Sec. 6. [112A.06] [LANDS INCLUDED.] The lands proposed to be included within the district need not consist of contiguous parcels. A district may to the extent authorized by resolution of the governing body of the city consist of land within the limits of a city and may consist of land within the limits of any town or county, located outside the metropolitan area, as defined by section 473.121, subdivision 2.

Sec. 7. [112A.07] [ORGANIZATION OF DISTRICT WITHIN TERRITORIAL BOUNDARIES OF ANOTHER DISTRICT.] A district may be organized within, or partly within, the territorial boundaries of another district organized under this or other law, so long as the works or systems, their operation, the exercise of powers and the assumptions of duties and responsibilities, of one district, do not nullify, conflict with, or materially affect those of another preexisting district.

Sec. 8. [112A.08] [DIRECTORS; ELECTION.] Directors may be elected either at large, or from election divisions. If the petition states that the directors shall be elected from election divisions, the petition shall describe the boundaries of the divisions, which may be drawn either with or without regard to the limits of any city or town included within the district boundaries.

Sec. 9. [112A.09] [GROUPING OF DIRECTORS ELECTED AT LARGE; TERM OF OFFICE.] If directors are to be elected at large, the directors named in the petition shall be divided as nearly as possible into three equal groups. The members of group 1 shall hold office until their successors, elected at the first regular district election thereafter, have qualified. The members of group 2 shall hold office until their successors, elected at the second regular district election thereafter, have qualified. The members of group 3 shall hold office until their successors, elected at the third regular district election thereafter, have qualified. Thereafter all directors elected shall serve for a term of three years and until their successors are elected and qualified. After the name of each director shall be stated to which group he belongs.

Sec. 10. [112A.10] [PETITION; SIGNATURES.] The petition must be signed by 50 percent of the landowners, except the holders of easements for electric or telephone transmission and distribution lines, within the area outside the limits of any city constituting the proposed district. If the proposed district includes any area within a city, the petition must be accompanied by a resolution of the governing body of the city requesting a specific area within the city be included within the proposed district. On each petition, set opposite the signature of each petitioner, shall be stated his name and post office address and the location of land of which he is the owner.

Sec. 11. [112A.11] [INSTRUMENTS CONSTITUTING PETITION.] The petition may contain any number of separate instruments, and to each sheet for petitioners' signatures shall be attached a full and correct copy of the petition. Every sheet of every petition containing signatures shall have below the signatures an affidavit by the circulator in substantially the following form:

State of Minnesota,

County of

....., being first duly sworn, deposes, that he is the circulator of the foregoing petition containing..... signatures; that each person whose name appears on the petition sheet personally signed the petition in the presence of affiant; that he believes that each signer is an owner of the land described opposite his signature, to be included within the proposed district, residing at the address written opposite his name, and that affiant stated to every petitioner before he affixed his signature the legal effect and nature of the petition.

.....
Circulator.

Sec. 12. [112A.12] [MAPS, PLANS AND ESTIMATES.] The petition shall be accompanied by maps showing the location of land within the proposed district and the proposed system of works, and by other maps, plans, and estimates as necessary to describe fully the proposed system.

Sec. 13. [112A.13] [EXAMINATION OF PETITION.] Upon receipt of the petition, the court shall determine whether it complies with the requirements of this act and dismiss the petition if the requirements are not complied with. The petitioners may present a new petition covering the same matter, or the same petition with additional signatures if additional signatures are necessary.

Sec. 14. [112A.14] [PUBLICATION OF PETITION.] The petition shall be published in each county in which lands within the proposed district lie, in a newspaper of general circulation published in the county, once each week for at least two successive weeks before the time the petition is filed with the court together with a list of names of the petitioners within the county and their addresses and lands owned.

Sec. 15. [112A.15] [PROTEST AGAINST ORGANIZATION.] Any owner of land within the proposed district who did not sign the petition may file with the court a protest against the qualifications of any signer of the petition, and the court shall consider and determine the validity of protests.

Sec. 16. [112A.16] [INVESTIGATION OF PROPOSED DISTRICT AND WORKS.] If the court determines that the petitioners have complied with the requirements of this act, it shall order the petitioners to hire an engineer, with the approval of the

court, to make an immediate investigation of the proposed district and of its proposed works, systems, or plans and of the engineering and economic feasibility of the project.

Sec. 17. [112A.17] [FEASIBILITY; RECORDING; ESTABLISHMENT.] The court, within 90 days from the receipt of the engineer's report, shall conduct a hearing to determine whether the proposed project is feasible, will be of public utility and benefit, and will promote public health. If the court determines that the project is not feasible, will not be of public utility and benefit, or will not promote public health, it shall issue an order dismissing the petition. If the court deems the project is feasible, will be of public utility and benefit, and will promote public health, it shall immediately issue an order setting forth a copy of the petition, declaring that the petition is approved, and establishing the district. The petitioners shall file the establishment order in the office of the county auditor of each county in which any of the lands in the district are located. Thereupon, the district, under its designated name, shall be a body politic and corporate under the provisions of this act and a public corporation of the state.

Sec. 18. [112A.18] [DIRECTORS; QUALIFICATION; MEETING.] Upon the filing of the certificate in the office of the secretary of state and a certified copy in the office of each county auditor, the members of the board of directors named in the petition shall qualify and immediately assume the duties of their office. Failure or refusal to qualify within a period of 15 days thereafter shall be deemed to create a vacancy which shall be filled as provided by this act. The first meeting of the board of directors shall be called by the director first named in the petition who qualifies.

Sec. 19. [112A.19] [ADDITIONAL TERRITORY.] The procedure for extending a water user district by including additional territory shall be as provided by sections 20 to 23.

Sec. 20. [112A.20] [PETITION TO INCLUDE ADDITIONAL TERRITORY.] A water user district may be extended by including additional territory by filing with the court a petition signed by at least 50 percent of the land owners, except the holders of easements for electric or telephone transmission and distribution lines, in any area outside the limits of a city to be included, a copy of a resolution of the governing body of a city requesting a specific area within the city be included within the expanded district, and a resolution of the board of directors of the district approving the expansion of the district, upon compliance with the requirements hereinafter set forth. The petition shall contain a description of the lands to be included.

Sec. 21. [112A.21] [MAPS; PLANS; ESTIMATES.] The petition shall be accompanied by maps showing the location of the lands to be included, the proposed system of works and other plans and estimates as necessary to fully describe the project.

Sec. 22. [112A.22] [PUBLICATION; PROTESTS.] The petition shall be published in each county in which the lands to be included lie, in a newspaper of general circulation published in the

county, once each week for at least two successive weeks before the time the petition is filed with the court together with the list of names of the petitioners and their addresses and land owned. Any owner of land within the area to be included, who did not sign the petition may file a written protest with the court as provided in section 15.

Sec. 23. [112A.23] [APPROVAL OF EXTENSION.] Upon receipt of the petition the court shall act upon the petition in the same manner as required upon an original petition to create a district, as set forth in sections 13 to 18.

Upon the court's approval of the petition and project, and the issuance of its order, the board shall file a copy in the office of the county auditor of each county in which any lands of the district are located and then the included areas shall be part of the district.

Sec. 24. [112A.24] [MEMBERS, ELECTION, TERMS.] After the election of the original board of directors of a district as provided in section 5, members of the board to succeed those in the three groups provided for in section 9, respectively, and to fill unexpired terms, shall be nominated and elected and shall take office in the following manner. Upon the first Tuesday in February next following the qualification of the original board of directors and upon the first Tuesday in February of each year thereafter, an election shall be held to elect directors to succeed those whose terms are about to expire. The term of each director thus elected shall commence upon the third Tuesday in February after his election and continue for three years and until his successor is elected and qualified. Election of directors shall be conducted as provided by section 25.

Sec. 25. [112A.25] [ELECTIONS; PLACE.] Subdivision 1. The board of directors of the district shall fix the hour and place, within the boundaries of the district, of each election and shall preside. If the district is divided into election divisions, the board in its discretion shall fix a place of election within each election division, and the directors who represent that division shall preside.

Subd. 2. Every person or corporation which is a party to a contract with the district for the purchase of water to be furnished by the district, may cast one vote at each election for each director to be elected. In case election divisions are provided for, each person or corporation entitled to vote by reason of being a party to a contract shall select the division in which he or it shall vote, which selection shall be made under rules established by the board of directors.

Subd. 3. The board shall at least 20 days prior to the date of election, mail to each person or corporation entitled to vote, at his or its last known place of residence or business, a notice stating the time, place, and purpose of the election or, in the alternative, publish in each county in which lands within the district lie, in a newspaper of general circulation in the county, once each week for at least two successive weeks before the time of election, a notice that the election will be held giving the purpose, time and place.

Subd. 4. At the hour and place of the election, the presiding directors shall call the roll of those entitled to vote, and the number of votes to which each is entitled. They shall make a record of the qualified voters present and prescribe the manner of casting ballots and canvassing votes. If election divisions are provided for, but the election is held at one place within the district instead of being held in each division, the board shall call the roll for each division and conduct the election for each division separately. All costs incident to the election of directors shall be paid by the district.

Subd. 5. The candidate for director required to fill an existing vacancy or to succeed an outgoing director who receives the highest number of votes cast shall be declared elected.

Sec. 26. [112A.26.] [DIRECTORS.] Subdivision 1. No person shall be qualified to hold office as a member of the board of directors of any district unless he is a party to a contract with the district.

Subd. 2. Vacancies on the board by reason of death, disability, failure to hold land in the district, or in the election division if election divisions are provided for, or otherwise shall be filled by the board of directors. The members elected to fill vacancies shall serve until members to fill out the remainder of the terms may be elected at the next succeeding district election.

Subd. 3. Members of the board of directors shall be paid their actual expenses while engaged in performing the duties of their office or otherwise engaged upon the business of the district. In addition they may receive as compensation for services \$35 per day for not more than ten days each month.

Sec. 27. [112A.27] [OFFICERS.] Subdivision 1. The board of directors shall elect the officers of the district who shall be a president, a vice president, a secretary and a treasurer. The board shall appoint an executive committee and other officers, agents, and employees as necessary to transact the business of the district. The president, vice president and treasurer shall be elected from the membership of the board of directors.

Subd. 2. The treasurer shall furnish and maintain a corporate surety bond in an amount sufficient to cover all moneys coming into his possession or control, which shall be satisfactory in form and with sureties approved by the court. The bond, as approved, shall be filed with the court, and the premium upon the bond paid by the district.

Sec. 28. [112A.28] [BOARD OF DIRECTORS.] Subdivision 1. The corporate powers of the district shall be exercised by the board of directors of the district.

Subd. 2. The board of directors may adopt rules and regulations or bylaws, consistent with this act, for the conduct of the business and affairs of the district. The board of directors shall cause to be kept accurate minutes of their meetings and accurate records and books of account, conforming to approved methods of bookkeeping,

clearly setting out and reflecting the entire operation, management, and business of the district. The books and records shall be kept at the principal place of business of the district and at reasonable business hours always open to public inspection.

Sec. 29. [112A.29] [POWERS.] Subdivision 1. A district organized under the provisions of this act shall have the powers provided by this act and may own, have, or exercise the rights, privileges, and franchises provided by this act.

Subd. 2. The district shall have all the usual powers of a public corporation, and may acquire by purchase, gift, or other lawful means and hold real or personal property reasonably necessary for the conduct of its business, or lease property for its proper purposes, and sell, lease, or otherwise dispose of property when not needed.

Subd. 3. The district may own, construct, reconstruct, improve, purchase, condemn, lease, receive by gift, or otherwise acquire, hold, extend, manage, use, or operate any "works", as defined in this act, and any and every kind of property, personal or real, necessary, useful, or incident to their acquisition, extension, management, use, and operation, and may sell, mortgage, alienate, or otherwise dispose of works under the terms and conditions provided in this act.

Subd. 4. A district may enter into any contract, lease, agreement, or arrangement with a state, county, city, town, district, governmental or public corporation or association, or with a person, firm, or corporation, public or private, or with the government of the United States, or with any officer, department, bureau, or agency thereof, or with any corporation organized under federal law to exercise the powers set forth in this section, or for the sale, leasing, or otherwise furnishing or establishing of water rights, water supply, conveyance and distribution of water, water service, or water storage, for domestic, industrial, municipal, or stock watering purposes, or for the financing or payment of the cost and expenses incident to the construction, acquisition, or operation of works, or incident to any obligation or liability entered into or incurred by the district.

Subd. 5. A district may exercise any of the powers enumerated in this section either within or beyond or partly within and partly beyond the boundaries of the district and of the state, unless prohibited by the law of the area or state concerned or of the United States of America.

Subd. 6. A district may appropriate the waters of the state in the same manner as other persons under the laws of this state. A district shall not, in the exercise of the powers conferred by this act, interfere with, injure, or otherwise damage or affect existing water rights, other than through the purchase of the rights or through condemnation proceedings. No district, corporation, association, or individual holding a water right for lands located either within or outside the boundaries of a district shall be in any way affected by the operations of the district other than by reason of a contract

voluntarily entered into by the organization or individual with the district, or by reason of the exercise by the district of the power of eminent domain.

Subd. 7. A district may exercise the power of eminent domain pursuant to chapter 117 after declaring by resolution the necessity for and purpose of the taking of property and the extent of the taking.

Subd. 8. The district shall have no power of taxation, or of levying assessments for special benefits. No governmental authority shall have power to levy or collect taxes or assessments for the purpose of paying, in whole or in part, any indebtedness or obligation of or incurred by the district or upon which the district may be or become in any manner liable. Nor shall any privately owned property within or outside a district, or the owner thereof, nor any city, town, county, or other political subdivision or public or private corporation or association or its property, be directly or indirectly liable for any district indebtedness or obligation beyond the liability to perform an express contract between the owner or public or private organization and the district.

Subd. 9. No person, city, town, county, or other governmental subdivision, or other public or private corporation or association shall be liable for the payment of any rent or charge for water storage, water supply, or for any of the costs of operation of a district, unless a contract has been entered into between the person or public or private organization and the district furnishing water storage or water supply. All capital and operating expenses shall be borne by the users in proportion to their use of water supplied by the district.

Subd. 10. A district organized under this act may exercise any power conferred by this act to obtain grants or loans or both from any federal agency pursuant to acts of congress, and may accept from private owners or other sources, gifts, deeds or instruments of trust or title relating to land, water rights and any other form of property.

Subd. 11. A district may purchase and acquire lands, water rights, rights of way, and real and personal properties of every nature in cooperation with the United States under conditions as may to the board seem advisable, and to convey them under the conditions, terms and restrictions approved by the directors and the federal government or any of its agencies and to pay the purchase price and any and all construction costs or other necessary expenses and costs in connection with any works contemplated by this act either from its own funds or cooperatively with the federal government.

Sec. 30. [112A.30] [CONTRACTS.] Subdivision 1. Before a district shall enter into a contract for the construction, alteration, extension, or improvement of irrigation works, or any part or section thereof, or a building for the use of the district, or for the purchase of materials, machinery, or apparatus, the district shall cause estimates of the cost to be made by a competent engineer or engineers, and if the estimated cost exceeds \$1,500 no contract

shall be entered into for a price, cost or consideration exceeding the estimate nor without advertising for sealed bids.

Subd. 2. Prior to advertisement, plans and specifications for the proposed construction work or materials shall be prepared and filed at the principal office or place of business of the district. The advertisement shall designate the nature of construction work proposed to be done or materials proposed to be purchased. The board shall supervise bid lettings by water user districts.

Sec. 31. [112A.31] [DEBT.] The district may borrow money and incur indebtedness by issuing its obligations or entering into contracts for any lawful corporate purpose; provided that all such obligations and contracts, whether express or implied, shall be payable solely:

(1) from revenues, income, receipts and profits derived by the district from its operation and management of systems and irrigation works; or

(2) from the proceeds of warrants, notes, revenue bonds, debentures, or other evidences of indebtedness issued and sold by the district which are payable solely from such revenues, income, receipts and profits; or

(3) from federal or state grant gifts or other moneys received by the district which are available therefor.

The district may by resolution pledge any such source to the payment of such obligations and contracts and the interest coming due thereon. Any resolution may specify the particular revenues that are pledged and the terms and conditions to be performed by the district and the rights of the holders of district obligations, and may provide for priorities of liens in any such revenues as between the holders of district obligations issued at different times or under different resolutions. The district may provide for the refunding of any district obligation through the issuance of other district obligations, entitled to rights and priorities similar in all respects to those held by the obligations that are refunded. All such obligations and refunding obligations shall be issued in accordance with the provisions of Minnesota Statutes, Chapter 475, except that such obligations may be sold by negotiation at a net average interest rate not exceeding eight percent per annum.

Sec. 32. [112A.32] [SERVICE CHARGES.] Subdivision 1. The directors of the district are authorized to agree with the holders of district obligations as to the maximum or minimum amounts which the district shall charge and collect for water sold by the district.

Subd. 2. The directors of the district are authorized to fix and establish the prices, rates and charges at which any and all services, products, resources and facilities made available under the provisions of this act shall be sold and disposed of; to enter into any and all contracts and agreements, and to do any and all things which in its judgment are necessary, convenient or expedient for the accomplishment of any and all the purposes and objects of this

act, under the general regulations and upon the terms, limitations and conditions it shall prescribe; and the directors shall enter into contracts and fix and establish prices, rates and charges so as to provide at all times funds which will be sufficient to pay all costs of operation and maintenance of any and all of the works and systems authorized by this act, together with necessary repairs thereto, and which will provide at all times sufficient funds to meet and pay the principal and interest of all obligations and other evidences of indebtedness of the district when due. Nothing in this act shall authorize any change, alteration or revision of rates, prices or charges established by any contract entered into under authority of this act except as provided by the contract.

Subd. 3. Every contract made by the board for the sale, conveyance and distribution of water, use of water, water storage, or other service, or for the sale of any property or facilities, shall provide that in the event of any failure or default in the payment of any moneys specified in the contract to be paid to the board, the board may, upon notice as shall be prescribed in the contract, terminate the contract and all obligations thereunder. The act of the board in ceasing on a default to furnish or deliver water, use of water, or water storage, under a contract shall not deprive the board of, or limit any remedy provided by the contract or by law for the recovery of money due or which may become due under the contract.

Sec. 33. [112A.33] [DISBURSEMENTS; FISCAL YEAR; AUDITS.] Subdivision 1. Money of the district shall be paid only upon approval of the board of directors and by warrant or other instrument in writing signed by the president and by the treasurer of the district. In case of the death, absence or other disqualification of the president, the vice president shall sign warrants or other instruments.

Subd. 2. The fiscal year of the district shall coincide with the calendar year. The board of directors, at the close of each year's business, shall cause an audit of the books, records and financial affairs of the district to be made by an experienced public accountant, copies of a written report of which audit, certified to by the auditors, shall be placed and kept on file at the principal place of business of the district and shall be filed with the secretary of state.

Sec. 34. [112A.34] [WORKS; OWNERSHIP; SALE.] Subdivision 1. No water supply works owned by the district shall be sold, alienated, or mortgaged by the district, except under the circumstances described by this section.

Subd. 2. If in the judgment of the board of directors it is for the best interest of the district to sell any portion of the district works not needed for the performance of any outstanding contract, and not mortgaged or hypothecated as provided for in subdivision 3, the board shall pass a resolution to that effect and shall submit the question to the department for approval. If the department approves, the board shall call a special election at which the

question of selling the portion of the works shall be submitted to the electors of the district qualified to vote for district directors. The board shall mail to each qualified elector, at his last known place of residence or place of business, a notice stating the time, place, and purpose of the election, and so far as practicable shall conduct the election in all other respects as provided in section 25. If a majority of all qualified electors of the district vote "yes", the board may sell the portion of the works.

Subd. 3. If, in order to borrow money from the federal government or from any of its agencies, or from the state, it is necessary that the district mortgage or otherwise hypothecate any or all of its property to secure the payment of loans made to it, the district may mortgage or hypothecate property and assets for the purpose. Nothing in this section shall prevent the district from assigning, pledging, or otherwise hypothecating its revenues, incomes, receipts, or profits to secure the payment of indebtedness to the federal government or any agency thereof, or the state. The state shall never pledge its credit or funds, or any part thereof, for the payment or settlement of any indebtedness or obligation whatsoever of any district created under the provisions of this act. Nothing in this act authorizes any agency of the state to make loans to a district, unless the agency is otherwise authorized by law.

Sec. 35. [112A.35] [FORECLOSURE.] If any district created under this act shall execute and deliver a mortgage or trust deed to secure the payment of any moneys borrowed by it for the purposes herein authorized, it may be provided in the mortgage or trust deed that it may be foreclosed upon default and a receiver may be appointed with the authority provided in the mortgage or trust deed.

Sec. 36. [112A.36] [DISSOLUTION.] Subdivision 1. Any district may be dissolved by authorization of a majority vote of the electors, qualified to vote for district directors, voting thereon at a special election called by the board of directors for that purpose, notice of which shall be mailed to each qualified elector at least 20 days prior to the date of the election and the procedure for which shall conform as nearly as may be to the procedure provided in section 25, for the election of directors. The district shall discharge its obligations before dissolution.

Subd. 2. Dissolution shall be completed upon resolution of the board of directors canvassing the vote and declaring that a majority of the qualified electors voting thereon have voted in favor of dissolution. A verified copy of the resolution shall be filed with the clerk of court and in the office of the county auditor of each county in which any portion of the district shall lie.

Subd. 3. In case of dissolution all applications for appropriation of water shall be canceled and all rights of the district in applications shall end.

Sec. 37. [112A.37] [APPEALS.] Any party aggrieved by a final order issued pursuant to section 13 of this act which approves or dismisses a petition or which refuses or establishes a project

or a district, may appeal therefrom to the supreme court in the manner provided in civil actions. The appeal shall be made and perfected within 30 days after the filing of the order. The notice of appeal shall be served on the clerk of district court and the members of the district's board of directors.

Sec. 38. This act is effective the day following final enactment."

Further, amend the title as follows:

Line 3, delete "rural"

And when so amended H. F. No. 1091 will be identical to S. F. No. 954, and further recommends that H. F. No. 1091 be given its second reading and substituted for S. F. No. 954, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1819 be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes, 1977 Supplement, Section 176.011, Subdivision 9, is amended to read:

Subd. 9. [EMPLOYEE.] "Employee" means any person who performs services for another for hire; and includes the following:

(1) an alien;

(2) a minor;

(3) a sheriff, deputy sheriff, constable, marshal, policeman, fireman, a county highway engineer, and a peace officer while engaged in the enforcement of peace or in and about the pursuit or capture of any person charged with or suspected of crime;

(4) a county assessor;

(5) an elected or appointed official of the state, or of any county, city, town, school district or governmental subdivision therein but an officer of a political subdivision elected or appointed for a regular term of office or to complete the unexpired portion of any such regular term, shall be included only after the governing body of the political subdivision has adopted an ordinance or resolution to that effect;

(6) an executive officer of a corporation except an officer of a family farm corporation as defined in section 500.24, subdivision 1, clause (c), nor shall it include executive officers of closely held corporations who are referred to in section 2 of this act ;

(7) a voluntary uncompensated worker, other than an inmate, rendering services in state institutions under the commissioner of public welfare and state institutions under the commissioner of corrections similar to those of officers and employees of such in-

stitutions, and whose services have been accepted or contracted for by the commissioner of public welfare or the commissioner of corrections as authorized by law, shall be employees within the meaning of this subdivision. In the event of injury or death of any such voluntary uncompensated worker, the daily wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of such injury or death for similar services in institutions where such services are performed by paid employees;

(8) a voluntary uncompensated worker engaged in peace time in the civil defense program when ordered to training or other duty by the state or any political subdivision thereof, shall be employees. The daily wage of the worker for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of such injury or death for similar services where such services are performed by paid employees;

(9) a voluntary uncompensated worker participating in a program established by a county welfare board shall be an employee within the meaning of this subdivision. In the event of injury or death of any such voluntary uncompensated worker, the wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid in the county at the time of such injury or death for similar services where such services are performed by paid employees working a normal day and week;

(10) a voluntary uncompensated worker accepted by the commissioner of natural resources who is rendering services as a volunteer pursuant to section 85.041 shall be an employee. The daily wage of the worker for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of injury or death for similar services where such services are performed by paid employees.

(11) a member of the military forces, as defined in section 190.05, while in "active service" or "on duty" as defined in section 190.05, when the service or duty is ordered by state authority. The daily wage of the member for the purpose of calculating compensation payable under this chapter shall be based on the member's usual earnings in civil life. If there is no evidence of previous occupation or earning, the trier of fact shall consider the member's earnings as a member of the military forces;

(12) a voluntary uncompensated worker, accepted by the director of the Minnesota historical society, rendering services as a volunteer, pursuant to chapter 138, shall be an employee. The daily wage of the worker, for the purposes of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of injury or death for similar services where such services are performed by paid employees.

In the event it is difficult to determine the daily wage as herein provided, then the trier of fact may determine the wage upon which the compensation is payable.

Sec. 2. Minnesota Statutes, 1977 Supplement, Section 176.012, is amended to read:

176.012 [OWNERS MAY BE COVERED.] ~~If a workers' compensation policy is procured~~ For the purposes of this chapter, an owner or owners of a business or farm, executive officer of a family farm corporation as defined in section 500.24, subdivision 1, clause (c), ~~or executive officers of a closely held corporation which employed less than the equivalent of 11 full time employees in the previous calendar year if those executive officers are also owners of at least 25 percent of the stock of that corporation,~~ and the spouse, parent, and child, regardless of age, of the farm owner or farm owners or executive officer and working therefor, or partners of a partnership owning a business or farm, whether or not employing any other person to perform a service for hire, shall be included within the meaning of the term employee ~~unless if such owner, owners, partners or , family farm corporation or executive officer of a closely held corporation elect in writing not to come bring themselves, and executive officer, or a spouse, parent, or child under the provisions of this chapter, and the policy so states the election provide the insurance required thereunder .~~ Nothing in this section shall be construed to limit the responsibilities of such owners, partners ~~or , family farm corporations or closely held corporations to provide coverage for their employees, if any, required under this chapter.~~

Sec. 3. Minnesota Statutes, 1977 Supplement, Section 176.101, Subdivision 7, is amended to read:

Subd. 7. [COMPENSATION DURING RETRAINING.] For any injury producing permanent disability which will prevent the employee from adequately performing the duties of the occupation he held at the time of injury, or any other injury which will or is likely to produce indefinite and continuous disability in excess of 26 weeks, the commissioner of the department of labor and industry shall require that the injured employee be promptly referred to the division of vocational rehabilitation, department of education, or other public or private, properly accredited agency, to determine if retraining for a new occupation would significantly reduce or remove any reduction in employability caused by the injury. The employer shall pay any usual and reasonable expenses and charges for such evaluation. If the evaluating agency certifies to the commissioner of the department of labor and industry that a period of retraining will significantly reduce or prevent the decrease in employability resulting from the injury, and if the commissioner of the department of labor and industry, compensation judge, or worker's compensation court of appeals, in cases upon appeal, determines the retraining is necessary and makes an order for such compensation, the employer shall pay up to 156 weeks of additional compensation during the actual period of retraining according to the schedule of compensation for temporary total disability and shall pay any other expense determined as reasonably necessary to restore former earning capacity by the commissioner of labor and industry after consultation with the division of vocational rehabilitation to rehabilitate the employee. *No payment shall be due under*

section 176.101, subdivisions 1, 2, 4, or 5 for the actual period of retraining for which weekly compensation benefits are paid under this subdivision.

Sec. 4. This act is effective the day after final enactment. "

Further, strike the title and insert:

"A bill for an act relating to workers' compensation; providing for the coverage of certain farm and business owners and employees upon election; providing retraining benefits for certain employees; amending Minnesota Statutes, 1977 Supplement, Sections 176.011, Subdivision 9; 176.012; and 176.101, Subdivision 7."

And when so amended H. F. No. 1819 will be identical to S. F. No. 1753, and further recommends that H. F. No. 1819 be given its second reading and substituted for S. F. No. 1753, 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. Coleman from the Committee on Rules and Administration, to which were referred

H. F. Nos. 1227, 1799, 2218, 2246, 1943, 2124 and 1950 for comparison with companion Senate Files, reports the following House Files were found not identical with their companion Senate Files 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.
1227	1130				
1799	1648				
2218	1885				
2246	2154				
1943	1618				
2124	1926				
1950	2181				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1227 be amended as follows:

Page 1, after line 16, insert

"Sec. 2. Minnesota Statutes, 1977 Supplement, Section 52.04, Subdivision 1, is amended to read:

52.04 [POWERS.] Subdivision 1. A credit union shall have the following powers:

(1) To receive the savings of its members either as payment on shares or as deposits, including the right to conduct Christmas clubs, vacation clubs, and other such thrift organizations within its membership;

(2) To make loans to members for provident or productive purposes as provided in section 52.16;

(3) To make loans to a cooperative society or other organization having membership in the credit union;

(4) To deposit in state and national banks and trust companies authorized to receive deposits;

(5) To invest in any investment legal for savings banks or for trust funds in the state;

(6) To borrow money as hereinafter indicated;

(7) To adopt and use a common seal and alter the same at pleasure; and

(8) To make payments on shares of and deposit with any other credit union chartered by this or any other state or operating under the provisions of the federal credit union act, in amounts not exceeding in the aggregate 25 percent of its unimpaired assets providing that payments on shares of and deposit with credit unions chartered by other states shall be restricted to credit unions insured by the National Credit Union Administration. The restrictions imposed by this clause shall not apply to share accounts and deposit accounts of Minnesota central credit union in U.S. central credit union;

(9) To contract with any licensed insurance company or society to insure the lives of members to the extent of their share accounts, in whole or in part, and to pay all or a portion of the premium therefor;

(10) To indemnify each director, officer, or committee member, or former director, officer, or committee member against all expenses, including attorney's fees but excluding amounts paid pursuant to a judgment or settlement agreement, reasonably incurred by him in connection with or arising out of any action, suit, or proceeding to which he is a party by reason of being or having been a director, officer, or committee member of the credit union, except with respect to matters as to which he shall be finally adjudged in such action, suit, or proceeding to be liable for negligence or misconduct in the performance of his duties. Such indemnification shall not be exclusive of any other rights to which he may be entitled under any bylaw, agreement, vote of members, or otherwise; and

(11) Upon written authorization from a member, retained at the credit union, to make payments to third parties by withdrawals from the member's share or deposit accounts or through proceeds of loans made to such member, or by permitting the credit union to make such payments from the member's funds prior to deposit; to permit draft withdrawals from member accounts; however, this clause does not permit a credit union to establish demand deposits (checking accounts) for its members;

(12) To inform its members as to the availability of various group purchasing plans which are related to the promotion of thrift or the borrowing of money for provident and productive purposes by means of informational materials placed in the credit union's

office, through its publications, or by direct mailings to members by the credit union;

(13) To facilitate its members' voluntary purchase of types of insurance incidental to promotion of thrift or the borrowing of money for provident and productive purposes including, but not limited to the following types of group or individual insurance: Fire, theft, automobile, life and temporary disability; to be the policy holder of a group insurance plan or a sub-group under a master policy plan and to disseminate information to its members concerning the insurance provided thereunder; to remit premiums to an insurer or the holder of a master policy on behalf of a credit union member, provided that the credit union shall obtain written authorization from such member for remittance by share or deposit withdrawals or through proceeds of loans made by such members, or by permitting the credit union to make such payments from the member's funds prior to deposit; and to accept from the insurer reimbursement for the actual cost of ministerial tasks performed pertaining to insurance;

(14) To contract with another credit union to furnish services which either could otherwise perform. Contracted services under this clause are subject to regulation and examination by the commissioner of banks like other services;

(15) In furtherance of the twofold purpose of promoting thrift among its members and creating a source of credit for them at legitimate rates of interest for provident purposes, and not in limitation of the specific powers hereinbefore conferred, to have all the powers enumerated, authorized, and permitted by this chapter, and such other rights, privileges and powers as may be incidental to, or necessary for, the accomplishment of the objectives and purposes of the credit unit; and

(16) To rent safe deposit boxes to its members provided the credit union obtains adequate insurance or bonding coverage for losses which might result from the rental of safe deposit boxes ;

(17) Notwithstanding the provisions of section 52.05, to accept deposits of public funds in an amount secured by insurance or other means pursuant to chapter 118; and

(18) To accept and maintain treasury tax and loan accounts of the United States and to pledge collateral to secure the treasury tax or loan accounts, in accordance with the regulations of the Department of Treasury of the United States .

Page 2, line 1, after "municipality" insert ", as defined in section 118.01,"

Page 2, line 3, after "the" insert "insured"

Page 2, line 4, after "23," insert "or credit unions"

Page 2, delete the underscored language in lines 5 and 6

Page 2, line 8, after "institution" insert "or credit union"

Page 2, line 10, after "*Corporation*" insert "*or insured by the National Credit Union Administration*"

Page 2, line 13, delete "*or*" and insert a comma

Page 2, line 14, after "*institution*" insert "*or credit union*" and restore the stricken comma

Page 2, line 15, delete "*or*" and insert a comma and after "*institution*" insert "*or credit union*"

Page 2, line 25, delete "*or*" and insert a comma and after "*institution*" insert "*or credit union*"

Page 3, line 1, before "*bonds*" restore "*such*" and strike "*the*"

Page 5, line 5, after "*institutions*" insert "*and credit unions*"

Page 5, line 17, delete "*or*" and insert a comma and after "*institution*" insert "*or credit unions*"

Page 5, line 27, after "*51A.20*" insert "*or 52.17*"

Page 6, line 32, delete "*or*" and insert a comma and after "*institution*" insert "*, or credit union*"

Page 7, line 15, after "*institution*" insert "*or credit union*"

Page 7, line 16, after "*institution*" insert "*or credit union*"

Page 7, delete lines 21 and 22

Renumber sections in sequence

Further, amend the title as follows:

Line 3, before the semicolon insert "*and credit unions*"

Line 6, before "*repealing*" insert "*Minnesota Statutes, 1977 Supplement, Section 52.04, Subdivision 1;*"

And when so amended H. F. No. 1227 will be identical to S. F. No. 1130, and further recommends that H. F. No. 1227 be given its second reading and substituted for S. F. No. 1130, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1799 be amended as follows:

Page 2, line 27, delete "*statutes*" and insert "*section*"

Page 2, lines 29 and 30, delete "*and the town board of Pickerel Lake*"

And when so amended H. F. No. 1799 will be identical to S. F. No. 1648, and further recommends that H. F. No. 1799 be given its second reading and substituted for S. F. No. 1648, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2218 be amended as follows:

Page 4, line 32, before "or" delete the comma

Page 11, delete lines 20 to 25

Renumber the remaining section

Further, amend the title as follows:

Line 9, delete "356.30, by adding a subdivision;"

And when so amended H. F. No. 2218 will be identical to S. F. No. 1885, and further recommends that H. F. No. 2218 be given its second reading and substituted for S. F. No. 1885, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2246 be amended as follows:

Page 1, delete lines 9 to 23

Page 2, delete lines 1 to 13

Page 2, line 17, strike "promptly and intact by the county"

Page 2, line 18, strike "treasurer in the name of the county"

Page 3, line 19, delete "*Interest and profits which accrue from*"

Page 3, delete lines 20 and 21

Page 3, delete "*This act*" and insert "*Section 1*"

Renumber sections in sequence

Further, amend the title as follows:

Line 5, delete "Sections" and insert "Section"

Line 6, delete "373.052 and"

And when so amended H. F. No. 2246 will be identical to S. F. No. 2154, and further recommends that H. F. No. 2246 be given its second reading and substituted for S. F. No. 2154, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1943 be amended as follows:

Page 2, line 2, delete "or omission"

Page 2, line 15, after "If" delete "the" and insert "this"

And when so amended H. F. No. 1943 will be identical to S. F. No. 1618, and further recommends that H. F. No. 1943 be given its second reading and substituted for S. F. No. 1618, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2124 be amended as follows:

Page 1, line 15, after "INSTITUTIONS" insert "; ADVISORY TASK FORCE"

Page 2, delete lines 2 to 15 and insert

"or confined therein. Commencing September 1, 1980, no individual, corporation, partnership, voluntary association or other private organization legally responsible for the operation of a correctional facility may operate the facility unless licensed by the commissioner of corrections. The commissioner may provide by rule for provisional licenses which authorize the operation of a correctional facility on a temporary basis where the operator is temporarily unable to comply with all of the requirements for a license. Notwithstanding the provisions of sections 15.0412 and 15.0413, these rules setting standards for group homes established under the direction of the juvenile courts shall not take effect until June 15, 1977. To assist in the development of standards for jails and lockups the commissioner shall pursuant to section 15-059, subdivision 6, appoint a citizens advisory task force of nine persons, including five persons who have been elected to the office of county sheriff and four persons who have been elected to the office of county board of commissioners September 1, 1979. The commissioner shall have access to the buildings, grounds, books, records, staff and to persons detained or confined in these facilities. He may require the officers in charge of these facilities to furnish all information and statistics he deems necessary, upon forms furnished by him."

Page 3, delete lines 24 to 32

Page 4, delete lines 1 to 9 and insert

"(5) As used in this subdivision, "correctional facility" means any facility, including a group home, having a residential component, the primary purpose of which is to serve persons placed therein by a court, court services department, parole authority, or other correctional agency having dispositional power over persons charged with, convicted or adjudicated to be guilty or delinquent."

Page 5, delete lines 1 to 3 and insert

"No person may receive custody of two or more unrelated chil-

dren unless he is licensed as a residential facility pursuant to sections 245.781 to 245.813 ; or”

Page 5, line 31, restore stricken period and delete “; or”

Page 7, delete lines 1 to 32

Page 8, delete lines 8 to 10

Page 8, line 16, delete the comma

Page 8, line 16, delete “1 of this” and insert “241.021, subdivision 1 (5),”

Page 8, line 17, delete “act,”

Page 8, after line 20, insert

“Sec. 6. Section 2 of this act is effective September 1, 1979.”

Re-number sections in sequence

Further, amend the title as follows

Line 3, delete “prohibiting”

Delete lines 4 and 5

Line 8, delete “641.156;”

And when so amended H. F. No. 2124 will be identical to S. F. No. 1926, and further recommends that H. F. No. 2124 be given its second reading and substituted for S. F. No. 1926, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1950 be amended as follows:

Page 2, line 23, delete “this” and insert “the”

Page 3, line 7, after “to” insert “Minnesota Statutes,”

Page 3, line 19, restore the stricken comma

Page 3, line 20, after “subdivision 1” delete the comma

Page 4, line 5, before “chapter” insert “Minnesota Statutes,”

Page 4, line 26, delete “section”

Page 5, line 9, after “to” insert “Minnesota Statutes,”

Page 7, delete lines 17 to 21 and insert

“Subd. 5. [EYE EXAMINATION.] Every licensed dentist, dental hygienist, and registered dental assistant shall submit to the executive secretary of the board at such intervals as the board may establish by rules a statement from a licensed optometrist or ophthalmologist that the licensee or registrant has visual acuity

as established by rule necessary for the licensee or registrant to perform the services required of such licensee or registrant."

And when so amended H. F. No. 1950 will be identical to S. F. No. 2181, and further recommends that H. F. No. 1950 be given its second reading and substituted for S. F. No. 2181, 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. Coleman from the Committee on Rules and Administration, to which were referred

H. F. Nos. 2223, 2050, 1945, 2341, 2445, 2147 for comparison with companion Senate Files, reports the following House Files were found not identical with their companion Senate Files 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.
2223	2281				
2050	1905				
1945	1788				
2341	2239				
2445	2300				
2147	2158				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2223 be amended as follows:

Strike everything after the enacting clause and insert

"Section 1. Minnesota Statutes 1976, Section 488A.01, Subdivision 9, is amended to read:

Subd. 9. [PLACE OF HOLDING COURT.] (a) The municipal building commission, or the county of Hennepin, or both, shall provide suitable quarters for the holding of regular terms of court in Minneapolis, Bloomington, St. Louis Park, Wayzata, and Crystal, and at such other places in the county as may be designated by a majority of the judges of the court. At the places of holding regular terms of court established pursuant to this clause, all functions of the court may be discharged, including both court and jury trials of civil and criminal matters.

(b) In addition to the regular places of holding court set forth in clause (a) of this subdivision, trials of traffic and criminal violations before the court without jury shall be held in the municipalities of Golden Valley, Richfield, Excelsior, Edina, Minnetonka, Hopkins, Mound, Maple Plain, Plymouth, Brooklyn Center, St. Anthony, Osseo, Robbinsdale, Brooklyn Park, Eden Prairie, and Orono, if not so designated in clause (a) above and such additional locations as may be designated by a majority of the judges of the court. The county of Hennepin shall provide suitable

quarters for the holding of court in such locations as may be designated under this clause. *The county may establish and maintain court facilities in the city of Minneapolis and the northern, southern and western suburban areas.*"

Further, strike the title and insert

"A bill for an act relating to Hennepin county municipal court; authorizing the establishment of court locations in the city of Minneapolis and in three suburban locations; amending Minnesota Statutes 1976, Section 488A.01, Subdivision 9."

And when so amended H. F. No. 2223 will be identical to S. F. No. 2281, and further recommends that H. F. No. 2223 be given its second reading and substituted for S. F. No. 2281, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2050 be amended as follows:

Amend the title as follows:

Page 1, line 2, before "providing" insert "relating to the city of Minneapolis;"

And when so amended H. F. No. 2050 will be identical to S. F. No. 1905, and further recommends that H. F. No. 2050 be given its second reading and substituted for S. F. No. 1905, 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. Amendment adopted. Report adopted.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1945 be amended as follows:

Page 2, line 1, before the period insert "*on individuals, as defined in section 15.162, subdivision 5a*"

And when so amended H. F. No. 1945 will be identical to S. F. No. 1788, and further recommends that H. F. No. 1945 be given its second reading and substituted for S. F. No. 1788, 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. Amendment adopted. Report adopted.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2341 be amended as follows:

Page 1, line 18, delete the new language

Page 1, delete lines 19 and 20

Page 1, line 21, delete the new language

Page 2, line 1 delete everything after "2." and insert "*During the year 1980,*"

Page 2, line 2, delete "*year 1980*"

Page 2, line 3, delete "*\$8,000,000, or in an*" and insert "*\$6,500,000,*"

Page 2, delete lines 4 to 7

Page 2, line 8, delete everything before "*St. Paul's*" and insert "*if*"

And when so amended H. F. No. 2341 will be identical to S. F. No. 2239, and further recommends that H. F. No. 2341 be given its second reading and substituted for S. F. No. 2239, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2445 be amended as follows:

Page 1, line 13, delete "*facility's*"

And when so amended H. F. No. 2445 will be identical to S. F. No. 2300, and further recommends that H. F. No. 2445 be given its second reading and substituted for S. F. No. 2300, 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. Amendment adopted. Report adopted.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2147 be amended as follows:

Page 3, line 12, after "2." insert "*Upon its own motion or*"

And when so amended H. F. No. 2147 will be identical to S. F. No. 2158, and further recommends that H. F. No. 2147 be given its second reading and substituted for S. F. No. 2158, 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. Amendment adopted. Report adopted.

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 2156: A bill for an act relating to natural resources; concerning water resources; revising certain provisions concerning dams, reservoirs, control structures, and waterway obstructions; prescribing certain fees to finance safety examinations relating to such projects; appropriating money; amending Minnesota Statutes 1976, Sections 105.42, Subdivision 2; 105.482, Subdivision 2; 105.52; 105.53; and Minnesota Statutes, 1977 Supplement, Section 105.44, Subdivision 10.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, after line 15, insert:

"Sec. 3. Minnesota Statutes 1976, Section 105.482, Subdivision 1, is amended to read:

105.482 [DAMS; RECONSTRUCTION; GRANTS.] Subdivision 1. [PURPOSE.] The public health, safety, and welfare is promoted by the orderly repair and restoration of dams serving the public interest. In furtherance of this objective, it is the purpose of this section to facilitate the repair and restoration of dams owned by the state and local governmental units. *The commissioner shall make the maximum possible effort to obtain and utilize all funds available to the state from the federal government for purposes of dam safety.*"

Re-number the sections in sequence

Amend the title as follows:

Line 9, strike "Subdivision" and insert "Subdivisions 1 and"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. McCutcheon from the Committee on Taxes and Tax Laws, to which was referred

S. F. No. 2022: A bill for an relating to taxation; property tax; altering rate and distribution of proceeds of tax on certain transmission and distribution lines; amending Minnesota Statutes 1976, Sections 273.38 and 273.42.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 273.42, is amended to read:

273.42 [RATE OF TAX; ENTRY AND CERTIFICATION; CREDIT ON PAYMENT.] The property set forth in section 273.37, subdivision 2, consisting of transmission lines, and distribution lines not taxed as provided in sections 273.38, 273.40 and 273.41 shall be taxed at the average rate of taxes levied for all purposes throughout the county and shall be entered on the tax lists by the county auditor against the owner thereof and certified to the county treasurer at the same time and in the same manner that other taxes are certified, and, when paid, shall be credited, ~~one-half~~ 35 percent to the general revenue fund of the county, and ~~one-half~~ 50 percent to the general school fund of the county and 15 percent to the townships within the county in which the lines are located. *The amount available for distribution to the townships shall be divided among the townships in the same proportion that the length of transmission line in each township bears to the total length of transmission line in the county,*

except that if a payment to a town exceeds ten percent of the town's levy for the preceding year, the excess amount shall be credited to the general revenue fund.

Sec. 2. [EFFECTIVE DATE.] *This act is effective for taxes levied in 1978, payable in 1979 and thereafter."*

Amend the title as follows:

Line 5, strike "Sections 273.38 and" and insert "Section"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. McCutcheon from the Committee on Taxes and Tax Laws, to which was re-referred

H. F. No. 1881: A bill for an act relating to agriculture; family farm security program; providing for exclusion from gross income of interest on certain loans; amending Minnesota Statutes 1976, Section 41.58, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 15, insert

"Sec. 2. Minnesota Statutes, 1977 Supplement, Section 290.01, Subdivision 20, is amended to read:

Subd. 20. [GROSS INCOME.] Except as otherwise provided in this chapter, the term "gross income," as applied to corporations includes every kind of compensation for labor or personal services of every kind from any private or public employment, office, position or services; income derived from the ownership or use of property; gains or profits derived from every kind of disposition of, or every kind of dealing in, property; income derived from the transaction of any trade or business; and income derived from any source; except that gross income shall not include "exempt function income" of a "homeowners association" as those terms are defined in Section 528 of the Internal Revenue Code of 1954, as amended.

For each of the taxable years beginning after December 31, 1960 and prior to January 1, 1971, the term "gross income" in its application to individuals, estates, and trusts, shall mean the adjusted gross income as computed for federal income tax purposes as defined in the Internal Revenue Code of 1954, as amended through December 31, 1970 for the applicable taxable year, with the modifications specified in this section.

For each of the taxable years beginning after Decemer 31, 1970, the term "gross income" in its application to individuals, estates, and trusts shall mean the adjusted gross income as computed for federal income tax purposes as defined in the Internal Revenue Code of 1954, as amended through the date specified herein for the applicable taxable year, with the modifications specified in this section.

(i) The Internal Revenue Code of 1954, as amended through December 31, 1970, shall be in effect for taxable years beginning after December 31, 1970 and prior to January 1, 1973.

(ii) The Internal Revenue Code of 1954, as amended through December 31, 1972, shall be in effect for taxable years beginning after December 31, 1972.

(iii) The Internal Revenue Code of 1954, as amended through December 31, 1973, shall be in effect for taxable years beginning after December 31, 1973.

(iv) The Internal Revenue Code of 1954, as amended through December 31, 1974, shall be in effect for the taxable years beginning after December 31, 1974.

(v) The Internal Revenue Code of 1954, as amended through December 31, 1976, including the amendments made to section 280A (relating to licensed day care centers) in H.R. 3477 as it passed the Congress on May 16, 1977, shall be in effect for the taxable years beginning after December 31, 1976. The provisions of the Tax Reform Act of 1976, P.L. 94-455, which affect adjusted gross income shall become effective for purposes of chapter 290 at the same time they become effective for federal income tax purposes. Section 207 (relating to extension of period for nonrecognition of gain on sale or exchange of residence) and section 402 (relating to time for making contributions to pension plans of self employed people) of P.L. 94-12 shall be effective for taxable years beginning after December 31, 1974.

References to the Internal Revenue Code of 1954 in clauses (a), (b) and (c) following shall mean the code in effect for the purpose of defining gross income for the applicable taxable year.

(a) Modifications increasing federal adjusted gross income. There shall be added to federal adjusted gross income:

(1) Interest income on obligations of any state other than Minnesota or a political subdivision of any such other state exempt from federal income taxes under the Internal Revenue Code of 1954;

(2) Interest income on obligations of any authority, commission, or instrumentality of the United States, which the laws of the United States exempt from federal income tax, but not from state income taxes;

(3) Income taxes imposed by this state or any other taxing jurisdiction, to the extent deductible in determining federal adjusted gross income and not credited against federal income tax;

(4) Interest on indebtedness incurred or continued to purchase or carry securities the income from which is exempt from tax under this chapter, to the extent deductible in determining federal adjusted gross income;

(5) Amounts received as reimbursement for an expense of sickness or injury which was deducted in a prior taxable year to the

extent that the deduction for such reimbursed expenditure resulted in a tax benefit;

(6) The amount of any federal income tax overpayment for any previous taxable year, received as refund or credited to another taxable year's income tax liability, proportionate to the percentage of federal income tax that was claimed as a deduction in determining Minnesota income tax for such previous taxable year.

The overpayment refund or credit, determined with respect to a husband and wife on a joint federal income tax return for a previous taxable year, shall be reported on joint or separate Minnesota income tax returns. In the case of separate Minnesota returns, the overpayment shall be reported by each spouse proportionately according to the relative amounts of federal income tax claimed as a deduction on his or her separate Minnesota income tax return for such previous taxable year;

(7) In the case of a change of residence from Minnesota to another state or nation, the amount of moving expenses which exceed total reimbursements and which were therefore deducted in arriving at federal adjusted gross income;

(8) In the case of property disposed of on or after January 1, 1973, the amount of any increase in the taxpayer's federal tax liability under section 47 of the Internal Revenue Code of 1954, as amended through December 31, 1976, to the extent of the credit under section 38 of the Internal Revenue Code of 1954, as amended through December 31, 1976, that was previously allowed as a deduction either under section 290.01, subdivision 20 (b) (9) or under section 290.09, subdivision 24; and

(9) Expenses and losses arising from a farm which are not allowable under section 290.09, subdivision 29;

(10) Expenses and depreciation attributable to substandard buildings disallowed by section 290.101; and

(11) The amount by which the gain determined pursuant to section 41.59, subdivision 2 exceeds the amount of such gain included in federal adjusted gross income;

(13) Interest income from qualified scholarship funding bonds as defined in section 103(e) of the Internal Revenue Code of 1954, as amended through December 31, 1976, if the nonprofit corporation is domiciled outside of Minnesota;

(14) Exempt-interest dividends, as defined in section 852(b) (5) (A) of the Internal Revenue Code of 1954, as amended through December 31, 1976, not included in federal adjusted gross income pursuant to section 852(b) (5) (B) of the Internal Revenue Code of 1954, as amended through December 31, 1976, except for that portion of such exempt-interest dividends derived from interest income on obligations of the state of Minnesota, any of its political or governmental subdivisions, any of its municipalities, or any of its governmental agencies or instrumentalities;

(15) The amount of any excluded gain realized by a trust on the sale or exchange of property as defined in section 641(c)(1).

(b) Modifications reducing federal adjusted gross income. There shall be subtracted from federal adjusted gross income:

(1) Interest income on obligations of any authority, commission or instrumentality of the United States to the extent includible in gross income for federal income tax purposes but exempt from state income tax under the laws of the United States;

(2) The portion of any gain, from the sale or other disposition of property having a higher adjusted basis for Minnesota income tax purposes than for federal income tax purposes, that does not exceed such difference in basis; but if such gain is considered a long-term capital gain for federal income tax purposes, the modification shall be limited to fifty per centum of such portion of the gain. This modification shall not be applicable if the difference in basis is due to disallowance of depreciation pursuant to section 290.101.

(3) Interest or dividend income on securities to the extent exempt from income tax under the laws of this state authorizing the issuance of such securities but includible in gross income for federal income tax purposes;

(4) Losses, not otherwise reducing federal adjusted gross income assignable to Minnesota, arising from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20, including any capital loss or net operating loss carry-forwards or carrybacks resulting from such losses;

(5) If included in federal adjusted gross income, the amount of any credit received, whether received as a refund or credit to another taxable year's income tax liability, pursuant to chapter 290A, and the amount of any overpayment of income tax to Minnesota, or any other state, for any previous taxable year, whether such amount is received as a refund or credited to another taxable year's income tax liability;

(6) The amount of any pension or benefit which is excluded from gross income under the provisions of section 290.08, subdivision 6; and

(7) In the case of property acquired on or after January 1, 1973, the amount of any credit to the taxpayer's federal tax liability under section 38 of the Internal Revenue Code of 1954, as amended through December 31, 1976, but only to the extent that the credit is connected with or allocable against the production or receipt of income included in the measure of the tax imposed by this chapter;

~~(10)~~ (8) The amount of any distribution from a qualified pension or profit sharing plan included in federal adjusted gross income in the year of receipt to the extent of any contribution not previously allowed as a deduction by reason of a change in federal law which was not adopted by Minnesota law for a taxable year beginning in 1974 or later; and

(9) Interest, including payment adjustment to the extent that it is applied to interest, earned by the seller of the property on a family farm security loan executed after December 31, 1977 and before January 1, 1982 that is guaranteed by the commissioner of agriculture as provided in sections 41.51 to 41.60.

(c) Modifications affecting shareholders of electing small business corporations under section 1372 of the Internal Revenue Code of 1954, or section 290.972 of this chapter.

(1) Shareholders in a small business corporation, which has elected to be so taxed under the Internal Revenue Code of 1954, but has not made an election under section 290.972 of this chapter, shall deduct from federal adjusted gross income the amount of any imputed income from such corporation and shall add to federal adjusted gross income the amount of any loss claimed as a result of such stock ownership. Also there shall be added to federal adjusted gross income the amount of any distributions in cash or property made by said corporation to its shareholders during the taxable year.

(2) In cases where the small business corporation has made an election under section 1372 of the Internal Revenue Code of 1954, but has not elected under section 290.972 of this chapter and said corporation is liquidated or the individual shareholder disposes of his stock and there is no capital loss reflected in federal adjusted gross income because of the fact that corporate losses have exhausted the shareholders basis for federal purposes, such shareholders shall be entitled, nevertheless, to a capital loss commensurate to their Minnesota basis for the stock.

(3) In cases where the election under section 1372 of the Internal Revenue Code of 1954 antedates the election under section 290.972 of this chapter and at the close of the taxable year immediately preceding the effective election under section 290.972 the corporation has a reserve of undistributed taxable income previously taxed to shareholders under the provisions of the Internal Revenue Code of 1954, in the event and to the extent that such reserve is distributed to shareholders such distribution shall be taxed as a dividend for purposes of this act.

Items of gross income includible within these definitions shall be deemed such regardless of the form in which received. Items of gross income shall be included in gross income of the taxable year in which received by a taxpayer unless properly to be accounted for as of a different taxable year under methods of accounting permitted by section 290.07, except that (1) amounts transferred from a reserve or other account, if in effect transfers to surplus, shall, to the extent that such amounts were accumulated through deductions from gross income or entered into the computation of taxable net income during any taxable year, be treated as gross income for the year in which the transfer occurs, but only to the extent that such amounts resulted in a reduction of the tax imposed by this act, and (2) amounts received as refunds on account of taxes deducted from gross income during any taxable year shall be treated as gross income for the year in which actually received,

but only to the extent that such amounts resulted in a reduction of the tax imposed by this act.

(d) Modification in computing taxable income of the estate of a decedent. Amounts allowable under section 291.07, subdivision 1(2) in computing Minnesota inheritance tax liability shall not be allowed as a deduction in computing the taxable income of the estate unless there is filed within the time and in the manner and form prescribed by the commissioner a statement that the amounts have not been allowed as a deduction under section 291.07 and a waiver of the right to have such amounts allowed at any time as deductions under section 291.07. The provisions of this paragraph shall not apply with respect to deductions allowed under section 290.077 (relating to income in respect of decedents). In the event that the election made for federal tax purposes under section 642(g) of the Internal Revenue Code of 1954 differs from the election made under this paragraph appropriate modification of the estate's federal taxable income shall be made to implement the election made under this paragraph in accordance with regulations prescribed by the commissioner.

Sec. 3. Minnesota Statutes 1976, Section 290.08, is amended by adding a subdivision to read:

Subd. 23. Gross income shall not include interest, including payment adjustment to the extent that it is applied to interest, earned by the seller of property on a family farm security loan executed after December 31, 1977 and before January 1, 1982 that is guaranteed by the commissioner of agriculture as provided in sections 41.51 to 41.60."

Page 1, line 16, after "for" insert "interest received during taxable years beginning after December 31, 1977 on"

Renumber the remaining section in sequence

Further, amend the title as follows:

Line 6, after "subdivision" insert "290.08, by adding a subdivision; and Minnesota Statutes, 1977 Supplement, Section 290.01, Subdivision 20"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 1705: A bill for an act relating to nursing homes; medical assistance; providing for exceptions to rate limitations; amending Minnesota Statutes, 1977 Supplement, Section 256B.47, Subdivision 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 97: A bill for an act relating to public utilities; providing for a study of lifeline rates for electricity and natural gas; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, strike lines 7 through 17

Page 1, line 21, after the last comma insert "water supply,"

Page 2, line 5, strike "shall conduct" and insert "may study and, where feasible, design and implement"

Page 2, strike line 6

Page 2, strike lines 8 through 19 and insert "in Minnesota."

Page 2, line 20, strike "1978" and insert "1979"

Page 2, strike lines 24 and 25

Renumber the sections accordingly

Amend the title as follows:

Line 4, strike "; appropriating money"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 1933: A bill for an act relating to education; higher education coordinating board; providing for a statewide career guidance program; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 8, after "establish" insert a comma

Page 1, line 10, strike "in" and insert a comma

Page 2, line 28, strike "its" and insert "the program's status and the board's"

Page 3, line 24, strike "\$175,000" and insert "\$65,000"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 2265: A bill for an act relating to cities; establishing requirements for financial statements, reports and audits; providing a time limit for submissions of certain reports to the state auditor; providing for enforcement of reporting requirements; appropriating money; amending Minnesota Statutes 1976, Chapter

471, by adding sections; repealing Minnesota Statutes 1976, Sections 412.281 and 412.291.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 18, after "*Publish*" insert "*a summary of*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 1755: A bill for an act relating to trees; clarifying municipal costs eligible for reimbursement by the state; authorizing municipal subsidies to certain persons; requiring an investigation of uses of diseased wood, authorizing the transfer of certain trees purchased from the state; extending the special levy authority for sanitation and reforestation; clarifying utilization of appropriations for shade tree disease control; authorizing extension of temporary rules; appropriating money; amending Minnesota Statutes 1976, Sections 89.38 and 89.391; and Minnesota Statutes, 1977 Supplement, Sections 18.023, Subdivisions 3a, 4 and 11; and 275.50, Subdivision 6.

Reports the same back with the recommendation that the bill be amended as follows:

Page 7, strike lines 3 through 15

Renumber the remaining section

Amend the title as follows:

Line 12, strike "*appropriating money;*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 2236: A bill for an act relating to abortion; declaring a state policy on abortion and childbirth and the funding thereof; amending Minnesota Statutes 1976, Section 256B.02, Subdivision 8, and Chapter 256B, by adding sections.

Reports the same back with the recommendation that the bill be returned to the Senate without recommendation. Report adopted.

Mr. Coleman from the Subcommittee on Bill Scheduling, to which were referred S. F. Nos. 1947, 2148, 2373, 2053, 1826, 2099, 2217 and H. F. Nos. 1900, 1940, 316, 2282, 2432, 1781, 515, 2190, 1884, 2102, 2216, 1598, 2219, 2043, 1821, 1783, 1767, 1329, 1916, 1434, 551, 1760 makes the following report:

That S. F. Nos. 1947, 2148, 2373, 2053, 1826, 2099, 2217 and H. F. Nos. 1900, 1940, 316, 2282, 2432, 1781, 515, 1884, 2102, 2216, 1598, 2219, 2043, 1821, 1783, 1767, 1329, 1916, 1434, 551, 1760 be placed on the General Orders Calendar in the order indicated.

That H. F. No. 2190 be retained in the subcommittee.

That there were no other bills before the Subcommittee on which floor action was requested. Report adopted.

SECOND READING OF SENATE BILLS

S. F. Nos. 2156, 2022, 1705, 97, 1933, 2265, 1755 and 2236 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. Nos. 2047, 2451, 2374, 2010, 1995, 2248, 2291, 2307, 2075, 2270, 2461, 449, 1476, 2146, 2041, 2516, 1317, 1246, 1091, 1819, 1227, 1799, 2218, 2246, 1943, 2124, 1950, 2223, 2050, 1945, 2341, 2445, 2147 and 1881 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Lewis moved that the name of Mr. Nichols be added as co-author to S. F. No. 1364. The motion prevailed.

Mr. Keefe, S. moved that the name of Mr. Sikorski be added as co-author to S. F. No. 1618. The motion prevailed.

Mr. Borden moved that the name of Mr. Sikorski be added as co-author to S. F. No. 2308. The motion prevailed.

Mr. Schmitz moved that S. F. No. 1693 be taken from the table. The motion prevailed.

CONCURRENCE AND REPASSAGE

S. F. No. 1693: A bill for an act relating to the national guard; increasing the pay for enlisted persons on active duty; amending Minnesota Statutes 1976, Section 192.51, Subdivision 2; repealing Minnesota Statutes 1976, Section 192.51, Subdivision 1.

Was read the third time as amended by the House and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Dunn	Gunderson	Johnson
Ashbach	Coleman	Engler	Hanson	Keefe, S.
Benedict	Davies	Frederick	Hughes	Kirchner
Bernhagen	Dieterich	Gearty	Jensen	Kleinbaum

Knaak	Moe	Perpich	Setzepfandt	Stokowski
Knutson	Nelson	Peterson	Sieloff	Strand
Laufenburger	Nichols	Pillsbury	Sikorski	Stumpf
Lessard	Ogdahl	Purfeerst	Sillers	Ueland, A.
Lewis	Olhoft	Renneke	Solon	Ulland, J.
Luther	Olson	Schmitz	Spear	Vega
Menning	Penny	Schrom	Staples	Willet

So the bill, as amended, was repassed and its title was agreed to.

SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to take up the Senate Calendar and waive the lie over requirement. The motion prevailed.

THIRD READING OF SENATE BILLS

S. F. No. 1621: A bill for an act relating to energy; providing a credit against income tax for the cost of certain solar energy systems; amending Minnesota Statutes 1976, Section 290.06, 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 55 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knoll	Olhoft	Sikorski
Ashbach	Frederick	Knutson	Olson	Sillers
Benedict	Gearty	Laufenburger	Penny	Solon
Bernhagen	Gunderson	Lessard	Perpich	Spear
Borden	Hanson	Lewis	Pillsbury	Staples
Brataas	Jensen	Luther	Purfeerst	Stokowski
Chenoweth	Johnson	Menning	Renneke	Stumpf
Chmielewski	Keefe, S.	Moe	Schmitz	Ueland, A.
Coleman	Kirchner	Nelson	Schrom	Ulland, J.
Dieterich	Kleinbaum	Nichols	Setzepfandt	Vega
Dunn	Knaak	Ogdahl	Sieloff	Willet

Messrs. Davies, Merriam and Peterson voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 1468: A bill for an act relating to commerce; regulating the repair of motor vehicles, appliances, and dwelling places; regulating service calls, estimates, and repairs; providing penalties.

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 35 and nays 23, as follows:

Those who voted in the affirmative were:

Benedict	Gunderson	Lessard	Olhoff	Spear
Borden	Hughes	Lewis	Penny	Staples
Chenoweth	Jensen	Luther	Perpich	Stokowski
Chmielewski	Johnson	Merriam	Peterson	Strand
Coleman	Keefe, S.	Moe	Schaaf	Stumpf
Dieterich	Kleinbaum	Nelson	Sikorski	Ulland, J.
Gearty	Knoll	Ogdahl	Solon	Vega

Those who voted in the negative were:

Ashbach	Hanson	Menning	Renneke	Sillers
Bernhagen	Kirchner	Nichols	Schmitz	Ueland, A.
Dunn	Knaak	Olson	Schrom	Willet
Engler	Knutson	Pillsbury	Setzepfandt	
Frederick	Laufenburger	Purfeerst	Sieloff	

So the bill passed and its title was agreed to.

S. F. No. 1985: A bill for an act relating to retirement; transit operating division of the metropolitan transit commission; transfer of pension coverage; termination of the metropolitan transit commission—transit operating division employees retirement fund; amending Minnesota Statutes 1976, Sections 352.01, Subdivisions 2A and 11; 352.22, by adding a subdivision; 356.20, Subdivision 2; and Minnesota Statutes, 1977 Supplement, Sections 352.03, Subdivisions 1 and 2; and 473.415.

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:

Anderson	Engler	Knutson	Perpich	Spear
Ashbach	Frederick	Laufenburger	Peterson	Staples
Bang	Gearty	Lessard	Pillsbury	Stokowski
Benedict	Gunderson	Lewis	Purfeerst	Strand
Bernhagen	Hanson	Luther	Renneke	Stumpf
Borden	Hughes	Menning	Schaaf	Ueland, A.
Brataas	Jensen	Moe	Schmitz	Ulland, J.
Chenoweth	Johnson	Nelson	Schrom	Vega
Chmielewski	Keefe, S.	Nichols	Setzepfandt	Willet
Coleman	Kirchner	Ogdahl	Sieloff	
Davies	Kleinbaum	Olhoff	Sikorski	
Dieterich	Knaak	Olson	Sillers	
Dunn	Knoll	Penny	Solon	

So the bill passed and its title was agreed to.

Pursuant to Rule 21, Mr. Moe moved that the following members be excused for a Conference Committee on H. F. Nos. 2493 and 2494:

Messrs. Moe, Kirchner, Lewis, Kleinbaum and Humphrey. The motion prevailed.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Gearty in the chair.

After some time spent therein, the committee arose, and Mr. Gearty reported that the committee had considered the following:

S. F. Nos. 1804, 1836, 1721.

H. F. Nos. 2516, 2050, 2047, 2341, 2451, 1945, 1799, 2010, 2175, 2374, 1770, 2163, 2146, 2377, 1119, 1225, 1966, 499, 1286, 1865, 2243, 1612, 1665, 1447, 1967, 1604, 1937, 2081 which the committee recommends to pass.

H. F. No. 2291 which the committee recommends to pass, subject to the following motion:

Mr. Laufenburger moved that the amendment made to H. F. No. 2291 by the Committee on Rules and Administration in the report adopted March 15, 1978, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H. F. No. 449 which the committee recommends to pass, subject to the following motions:

Mr. Johnson moved that the amendment made to H. F. No. 449 by the Committee on Rules and Administration in the report adopted March 15, 1978, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

Mr. Peterson moved to amend H. F. No. 449 as follows:

Page 4, line 2, reinstate "\$200" and strike "\$300"

Page 5, line 4, strike "\$600" and insert "\$400"

The motion prevailed. So the amendment was adopted.

H. F. No. 2246, which the committee recommends to pass subject to the following motions:

Mr. Wegener moved that the amendment made to H. F. No. 2246 by the Committee on Rules and Administration in the report adopted March 15, 1978, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

Mr. Setzepfandt moved to amend H. F. No. 2246 as follows:

Page 3, after line 21, insert:

"Sec. 3. Notwithstanding any other law to the contrary, the board of commissioners of Kandiyohi county is authorized to construct a temporary diversion structure to channel water from Judicial Ditch No. 1 to big Kandiyohi Lake."

Page 3, line 22, strike "3" and insert "4"

Amend the title as follows:

Line 5, after the semicolon, insert "authorizing the Kandiyohi county board of commissioners to construct a temporary diversion structure;"

The motion prevailed. So the amendment was adopted.

H. F. No. 2218, which the committee recommends to pass with the following amendment offered by Mr. Stokowski:

Amend H. F. No. 2218, as amended pursuant to Rule 49, adopted by the Senate March 15, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1885.)

Page 11, after line 18, insert:

“Sec. 10. Minnesota Statutes 1976, Section 352.01, Subdivision 2A, is amended to read:

Subd. 2A. [INCLUDED EMPLOYEES.] The following persons are included in the meaning of state employee:

- (1) Employees of the Minnesota Historical Society.
- (2) Employees of the State Horticultural Society.
- (3) Employees of the Disabled American Veterans, Department of Minnesota, Veterans of Foreign Wars, Department of Minnesota, if employed prior to July 1, 1963.
- (4) Employees of the Minnesota Crop Improvement Association.
- (5) Employees of the adjutant general who are paid from federal funds and who are not covered by any federal civilian employees retirement system.
- (6) Employees of the state universities employed under the university activities program.
- (7) Currently contributing employees covered by the system who are temporarily employed by the legislature during a legislative session or any currently contributing employee employed for any special service as defined in item (8) of subdivision 2B.
- (8) Employees of the armory building commission.
- (9) Permanent employees of the legislature and persons employed or designated by the legislature or by a legislative committee or commission or other competent authority to make or conduct a special inquiry, investigation, examination or installation including permanent employees of the legislative research committee.
- (10) Trainees who are employed on a full time established training program performing the duties of the classified position for which they will be eligible to receive immediate appointment at the completion of the training period.
- (11) Employees of the Minnesota Safety Council.
- (12) *Judges of the tax court.*

Sec. 11. Minnesota Statutes, 1977 Supplement, 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 men 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 such 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 all employees thereof, referees, receivers, jurors, and notaries public, except employees of the supreme court 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 such 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) Members of the ~~tax court~~, the personnel board, and the members of any other state board or commission who serve the state intermittently and are paid on a per diem basis; the secretary, secretary-treasurer, and treasurer of such 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 he is also its full time secretary;

(16) State highway patrolmen;

(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; also 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 unclassified 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(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 such 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 chairman 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 thereunder 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 personnel 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 such employee gives notice to the director within 60 days following his appointment that he desires coverage; and

(35) Tradesmen 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.

Sec. 12. Minnesota Statutes, 1977 Supplement, Section 490.121, Subdivision 2, is amended to read:

Subd. 2. "Court" means any court of this state established by the Minnesota Constitution, ~~the tax court,~~ and any municipal, county or probate court of record.

Sec. 13. *The transfer of tax court judges to membership in the Minnesota state retirement system shall be retroactive to July 1, 1977. The director of the Minnesota state retirement system shall transfer to the state employees retirement fund the contributions made by these judges to the judges retirement fund since July 1, 1977 and shall refund any excess or collect from such judges any deficiency of contributions as would have been required by section 352.04, subdivision 2, had the judges been covered by the state employees retirement fund since July 1, 1977. The tax court shall pay the required employer contribution for such period as required by section 352.04, subdivision 3.*

Sec. 14. *Judges of the tax court who held such office on and prior to July 1, 1977 may obtain credit for their service as a tax court judge prior to July 1, 1977 by paying to the state employees retirement fund an amount equal to four percent of their current monthly salary rate multiplied by the number of months prior to July 1, 1977 for which the judge desires to obtain credit. The tax court as employer shall pay an amount equal to the employee contribution made hereunder."*

Renumber the remaining section.

Further, amend the title in line 7 after the semicolon by inserting "making judges members of the public employees' retirement association;" line 9, after "278.03;" insert "352.01, Subdivision 2A;" and in line 12 by deleting "and" and inserting before the period "; 352.01, Subdivision 2B; and 490.121, Subdivision 2"

H. F. No. 1227, which the committee recommends to pass with the following amendments offered by Messrs. Borden, Ogdahl and Sieloff:

Mr. Borden moved to amend H. F. No. 1227, as amended pursuant to Rule 49, adopted by the Senate March 15, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1130.)

Page 5, line 15, strike "*insured*"

Page 6, line 13, after "*municipality,*" insert "*as provided by law,*"

Page 11, after line 4, insert:

"Sec. 9. *This act is effective the day following final enactment.*"

Mr. Ogdahl moved to amend H. F. No. 1227, as amended pursuant to Rule 49, adopted by the Senate March 15, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1130.)

Page 9, line 28, after "*district,*" insert "*police or firefighter's relief association, volunteer firefighter's relief association, non-profit corporation firefighter's relief association, any other statutory retirement association holding funds intended for retirement benefits for employees of a municipality, any*"

Mr. Sieloff moved to amend H. F. No. 1227, as amended pursuant to Rule 49, adopted by the Senate March 15, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1130.)

Page 5, after line 5, insert "*Notwithstanding any law or rule to the contrary, the interest or dividend paid on deposits and accounts received pursuant to clauses (17) and (18) shall not exceed the maximum allowable rate permitted to banking institutions on similar deposits and accounts.*"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 35 and nays 24, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Menning	Peterson	Sikorski
Ashbach	Frederick	Moe	Pillsbury	Sillers
Bang	Hanson	Nichols	Purfeerst	Strand
Bernhagen	Jensen	Ogdahl	Renneke	Ueland, A.
Brataas	Kirchner	Olhoff	Schmitz	Ulland, J.
Dieterich	Knaak	Olson	Setzepfandt	Wegener
Dunn	Knutson	Penny	Sieloff	Willet

Those who voted in the negative were:

Benedict	Gearty	Keefe, S.	Merriam	Staples
Borden	Gunderson	Kleinbaum	Nelson	Stokowski
Chenoweth	Hughes	Knoll	Schaaf	Stumpf
Coleman	Humphrey	Laufenburger	Solon	Vega
Davies	Johnson	Luther	Spears	

The motion prevailed. So the amendment was adopted.

H. F. No. 1943, which the committee recommends to pass with the following amendment offered by Mr. Keefe, S.:

Amend H. F. No. 1943, as amended pursuant to Rule 49, adopted by the Senate March 15, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1618.)

Page 1, after line 9, insert a new section to read:

"Section 1. Minnesota Statutes 1976, Section 65A.01, Subdivision 1, is amended to read:

65A.01 [MINNESOTA STANDARD FIRE INSURANCE POLICY.] Subdivision 1. [DESIGNATION AND SCOPE.] The printed form of a policy of fire insurance, as set forth in *subdivision subdivisions 3 and 3a*, shall be known and designated as the "Minnesota Standard Fire Insurance Policy" to be used in the state of Minnesota. No policy or contract of fire insurance shall be made, issued or delivered by any insurer including reciprocals or inter-insurance exchanges or any agent or representative thereof, on any property in this state, unless it shall *provide the specified coverage and conform as to all provisions, stipulations, and conditions, with such form of policy, except as provided in section 65A.06.* Any policy or contract otherwise subject to the provisions of this subdivision and *subdivision subdivisions 3 and 3a* which includes either on an unspecified basis as to coverage or for a single premium, coverage against the peril of fire and coverage against other perils may be issued without incorporating the exact language of the Minnesota Standard Fire Insurance Policy, provided: Such policy or contract shall, with respect to the peril of fire, afford the insured all the rights and benefits of the Minnesota Standard Fire Insurance Policy and such additional benefits as the policy provides; the provisions in relation to mortgage interests and obligations in said Minnesota Standard Fire Insurance Policy shall be incorporated therein without change; such policy or contract is complete as to its terms of coverage; and, the commissioner is satisfied that such policy or contract complies with the provisions hereof."

Page 1, line 12, after "3a." insert "(1)"

Page 2, after line 18, insert:

"(2) *The provisions of clause (e) shall not be included in the language of the policy or endorsement unless the payment of dues to an association or organization, other than an insurance associa-*

tion or organization, is a prerequisite to obtaining or continuing the insurance."

Renumber the sections in sequence

Further, amend the title as follows:

Page 1, line 7, after "65A.01," insert "Subdivision 1 and"

H. F. No. 2299, which the committee recommends to pass with the following amendments offered by Messrs. Schmitz and Chmielewski.

Mr. Schmitz moved to amend H. F. No. 2299 as follows:

Page 2, lines 23 to 32, and Page 3, lines 1 to 21, strike all underlined language and insert "*Upon the authorization of the commissioner, a county may expend accumulated municipal account funds on county state-aid highways within the county outside of cities having a population of less than 5,000. The commissioner shall authorize the expenditure if:*

(a) *The county submits a written request to the commissioner and holds a hearing within 30 days of the request to receive and consider any objections by the governing bodies of cities within the county having a population of less than 5,000, and*

(b) *No written objection is filed with the commissioner by any such city within 14 days of that hearing as provided in this subdivision.*

The county shall notify all of the cities of the public hearing by certified mail and shall notify the commissioner in writing of the results of the hearing and any objections to the use of the funds as requested by the county.

If, within 14 days of the hearing, a city having a population of less than 5,000 files a written objection with the commissioner identifying a specific county state-aid highway within the city which is requested for improvement, the commissioner shall investigate the nature of the requested improvement. Notwithstanding clause (b), the commissioner may authorize the expenditure requested by the county if: (1) the identified highway is not deficient in meeting minimum state-aid street standards; or (2) the county shows evidence that the identified highway has been programmed for construction in the county's five-year capital improvement budget in a manner consistent with the county's transportation plan; or (3) there are conditions created by or within the city and beyond the control of the county that prohibit programming or constructing the identified highway."

Mr. Chmielewski moved to amend H. F. No. 2299 as follows:

Page 3, after line 29, insert:

"Sec. 2. Minnesota Statutes 1976, Section 161.082, Subdivision 2a, is amended to read:

Subd 2a. An amount equal to 32 percent of the county turnback account shall be expended, within counties having two or more

towns, on town road bridge structures that are 20 10 feet or more in length. The expenditures on such bridge structures shall *may* be on a matching basis, and if *on a matching basis*, not more than 50 90 percent of the cost of any such bridge structure shall be paid from the county turnback account. ~~The rules and regulations of the commissioner of transportation relating to the expenditure of funds for the purposes of this subdivision shall include review of township bridge projects by the regional development commissions or the metropolitan council to determine the relative need of the township for financial assistance.~~”

Page 3, line 30, after “2.” insert “*Section 1 of*”

Page 3, line 30, after “1979.” insert “*Section 2 is effective the day after final enactment.*”

Renumber the remaining section

Amend the title as follows:

Page 1, line 5, after the semicolon insert “providing for the expenditure of certain portions of the county turnback account on bridges;”

Page 1, line 6, strike “Section” and insert “Sections 161.082, Subdivision 2a; and”

H. F. No. 2124, which the committee recommends to pass with the following amendment offered by Mr. Lewis:

Amend H. F. No. 2124, as amended pursuant to Rule 49, adopted by the Senate March 15, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1926.)

Page 7, line 7, after “force” insert “, to serve for a period of three years after the effective date of this act,”

Page 7, line 18, after the period insert “*Section 5 shall expire August 1, 1981.*”

H. F. No. 2270, which the committee recommends to pass with the following amendment offered by Mr. Willet:

Amend H. F. No. 2270, as amended pursuant to Rule 49, adopted by the Senate March 15, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 2248.)

Page 4, line 21, after “367.03” insert “*on or after July 1, 1979*”

Page 8, line 8, strike “January” and insert “*July*”

Page 9, line 11, after “training” insert “*and selection*”

Page 13, after line 13, insert a section to read:

“Sec. 18. Minnesota Statutes, 1977 Supplement, Section 626.-846, is amended by adding a subdivision to read:

Subd. 5. Notwithstanding any provision of this chapter to the contrary, any prospective peace officer candidate admitted to a certified training academy during 1978 shall, upon successful completion of that academy, be exempt from the initial licensing examination required by the board."

Renumber the sections in sequence

H. F. No. 2445, which the committee recommends to pass subject to the following motion:

Mr. Davies moved that the amendment made to H. F. No. 2445 by the Committee on Rules and Administration in the report adopted March 15, 1978, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H. F. No. 2223 which the committee reports progress, subject to the following motion:

Mr. Benedict moved to amend H. F. No. 2223, as amended pursuant to Rule 49, adopted by the Senate March 15, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 2281.)

Page 2, after line 11, insert

"By September 1, 1978, any municipality in which the county was regularly holding court prior to August 1, 1978 may, by appropriate resolution, notify the county that it wishes the county to continue to hold court in the municipality. Upon receipt of such a resolution, the county shall continue to hold court regularly in the municipality until notified by the municipality that it may discontinue holding court in the municipality."

Amend the title as follows:

Page 1, line 5, after the semicolon insert "permitting certain municipalities to require the county to continue to hold court in the municipality;"

The motion prevailed. So the amendment was adopted.

H. F. No. 2223 was then progressed.

H. F. No. 1878, which the committee recommends to pass with the following amendment offered by Mr. Sikorski:

Page 1, after line 19, insert:

"Sec. 2. Notwithstanding any law to the contrary, no agency of the state shall acquire land for, nor shall any construction begin, on any proposed multi-use trail on abandoned railroad lines along the St. Croix river in Washington County until the department of natural resources has completed a comprehensive plan for the project. The plan shall evaluate the likely and intended uses of the trail and the resultant effects on adjoining properties.

Sec. 3. This act is effective the day after final enactment."

Amend the title as follows:

Page 1, line 2, after "to" insert "Washington County;"

Page 1, line 6, after "circumstances" insert "; prohibiting establishment of a multi-use trail in Washington County until the completion of a comprehensive plan"

H. F. No. 2151, which the committee recommends to pass with the following amendment offered by Mr. Keefe, S.:

Amend H. F. No. 2151, as amended pursuant to Rule 49, adopted by the Senate March 13, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 2003.)

Page 1, line 19, after the semicolon, insert "or"

Page 2, line 21, strike "such" and insert "the"

Page 3, line 4, after the period insert "*This act is not an indication of legislative intent concerning the meaning of the law in effect prior to its enactment. This act does not affect any right accrued, any duty imposed, any penalty incurred, or any proceeding commenced under or by virtue of the law in effect prior to the enactment of this act.*"

H. F. No. 2307, which the committee recommends to pass subject to the following motions:

Mr. Solon moved that the amendment made to H. F. No. 2307 by the Committee on Rules and Administration in the report adopted March 15, 1978, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

Mr. Solon moved to amend H. F. No. 2307 as follows:

Page 3, strike section 4

Amend the title as follows:

Lines 4 and 5, strike "restricting liquor licenses in the city of St. Paul;"

The motion prevailed. So the amendment was adopted.

H. F. No. 1995, which the committee recommends to pass with the following amendment offered by Mr. Johnson:

Page 2, line 22, before the period insert "*if the unearned premium is \$3 or more*"

S. F. No. 1918, which the committee recommends to pass with the following amendment offered by Mr. Chenoweth:

Pages 5 to 18, strike sections 4 to 14

Page 18, line 17, strike "Sections 1 to 13" and insert "*This act*"

Page 18, line 18, strike "*Section 14 shall be effective the*"

Page 18, strike line 19

Renumber the sections in sequence

Delete all underscoring from the bill.

Amend the title as follows:

Page 1, line 7, strike “; providing for an”

Page 1, strike lines 8 to 12

Page 1, line 13, strike everything before the period.

H. F. No. 1950, which the committee recommends to pass with the following amendment offered by Mr. Strand:

Amend H. F. No. 1950, as amended pursuant to Rule 49, adopted by the Senate March 15, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 2181.)

Page 2, line 8, strike “of good moral character”

Page 4, line 21, strike “of good moral character”

H. F. No. 2461, which the committee recommends to pass with the following amendment offered by Mr. Johnson:

Amend H. F. No. 2461, as amended pursuant to Rule 49, adopted by the Senate March 15, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 2081.)

Page 2, line 13, strike “cannot be” and insert “have not been”

Page 3, line 25, strike “cannot be” and insert “have not been”

Page 5, line 2, strike “rendered” and insert “assessed”

Page 5, line 4, strike “rendition” and insert “assessment”

Page 6, line 3, strike “rendered” and insert “assessed”

Page 6, line 7, strike “hold” and insert “provide for”

Page 6, line 7, after “a” insert “contested case”

H. F. No. 1599, which the committee recommends to pass with the following amendment offered by Mr. Peterson:

Amend H. F. No. 1599, as amended pursuant to Rule 49, adopted by the Senate March 13, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1543.)

Amend the title as follows:

Page 1, line 3, strike “daytime activity” and insert “developmental achievement”

H. F. No. 2075, which the committee recommends to pass subject to the following motion:

Mr. Johnson moved that the amendment made to H. F. No. 2075 by the Committee on Rules and Administration in the report adopted March 15, 1978, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H. F. No. 1476, which the committee recommends to pass subject to the following motions:

Mr. Chenoweth moved that the amendment made to H. F. No. 1476 by the Committee on Rules and Administration in the report adopted March 15, 1978, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

Mr. Chenoweth moved to amend H. F. No. 1476 as follows:

Page 6, after line 32, insert

"Nothing in this subdivision is intended to prohibit the use of revenue bond proceeds to pay outstanding indebtedness of a contracting party to the extent now permitted by law;"

The motion prevailed. So the amendment was adopted.

H. F. No. 1914, which the committee recommends to pass with the following amendment offered by Mr. Lessard:

Amend H. F. No. 1914, as amended pursuant to Rule 49, adopted by the Senate March 11, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1884.)

Page 3, lines 17 and 20, strike "\$3" and insert "\$5"

Page 4, lines 10 and 23, strike "\$3" and insert "\$5"

Page 7, lines 18 and 21, strike "\$3" and insert "\$5"

Page 8, lines 12 and 25, strike "\$3" and insert "\$5"

Amend the title as follows:

Line 2, after "to" insert "law libraries; providing for adjustments in respect to law libraries in"

H. F. No. 2147, which the committee recommends to pass subject to the following motion:

Mr. Penny moved that the amendment made to H. F. No. 2147 by the Committee on Rules and Administration in the report adopted March 15, 1978, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H. F. No. 2052, which the committee recommends to pass with the following amendment offered by Mr. Luther:

Amend H. F. No. 2052, as amended pursuant to Rule 49, adopted by the Senate March 13, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1908.)

Page 1, line 19, after the period, insert *"It is also found that the social and financial costs of disrupting existing land uses around airports in built up urban areas, particularly established residential neighborhoods, often outweigh the benefits of a reduction in airport*

hazards that might result from the elimination or removal of those uses."

Page 2, line 3, strike the semicolon

Page 2, line 3, strike "(3)"

Page 2, line 5, before the period, insert "*; and (3) that the elimination or removal of existing land uses, particularly established residential neighborhoods in built up urban areas, or their designation as nonconforming uses is not in the public interest and should be avoided whenever possible consistent with reasonable standards of safety*"

Page 2, line 23, strike "municipality," and strike "joint" and insert "local"

Page 2, line 24, strike "board," and delete "or joint airport operating board," and insert "authority"

Page 3, line 1, before "No" insert "*(a) In order to ensure the minimum disruption of existing land uses, particularly established residential neighborhoods in built up urban areas, the airport zoning standards of the commissioner and the local airport zoning ordinances or regulations adopted under sections 360.061 to 360.074 shall distinguish between the creation or establishment of a use and the elimination of an existing use, and shall avoid the elimination, removal, or reclassification of existing uses to the extent consistent with reasonable standards of safety. The standards of the commissioner shall include criteria for determining when an existing land use may constitute an airport hazard so severe that considerations of public safety outweigh the public interest in preventing disruption to that land use. (b)*"

Page 3, line 1, after "No" insert "airport zoning"

Page 3, line 2, after "or" insert "*local airport zoning ordinances or*"

Page 3, line 3, strike "*by the commissioner or by any*"

Page 3, strike line 4

Page 3, line 6, after "any" insert "*low density*"

Page 3, strike line 7, and insert "*isolated low density*"

Page 3, line 9, strike "*Any such standards or*"

Page 3, strike lines 10 to 14, and insert

"(c) A local airport zoning authority may classify a land use described in clause (b) as an airport hazard if that authority finds that this classification is justified by considerations of public safety and is consistent with the airport zoning standards of the commissioner. Any land use described in clause (b) which is classified as an airport hazard shall be acquired, altered or removed at public expense.

(d) The provisions of this subdivision shall not be construed to affect the classification of any land use under any zoning

ordinances or regulations not adopted pursuant to sections 360.061 to 360.074."

Page 3, line 18, strike "*minimum*"

Page 3, line 21, strike "*section 3 of*"

Page 3, line 21, strike "*If*" and insert "*Until*"

Page 3, line 21, strike "*fails to adopt*" and insert "*adopts*"

Page 3, line 22, strike "*section*" and insert "*subdivision*"

Page 3, line 24, strike "*conforming*" and insert "*nonconforming*"

Page 3, line 25, strike "*section 3*" and insert "*subdivision 1a, clause (b)*"

Page 3, line 26, strike everything before the period

Page 3, lines 27 to 31, strike Section 5 in its entirety

Renumber the remaining section

H. F. No. 1861, which the committee recommends to pass subject to the following motions:

Mr. Strand moved to amend H. F. No. 1861, as amended pursuant to Rule 49, adopted by the Senate March 14, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1654.)

Page 1, after line 18, insert:

"Section 1. Minnesota Statutes 1976, Section 3A.01, is amended by adding a subdivision to read:

Subd. 7. [AVERAGE MONTHLY SALARY.] With regard to any member of the legislature whose service terminates prior to the beginning of the 1981 legislative session, "average monthly salary" means final monthly salary during the member's final term of office as a member of the legislature; and with regard to any member of the legislature whose service terminates after the beginning of the 1981 legislative session, "average monthly salary" means the average of the member's highest five successive years of salary received as a member of the legislature after the beginning of the 1981 legislative session, or all salary after the beginning of the 1981 legislative session if less than five years.

Sec. 2. Minnesota Statutes 1976, Section 3A.01, is amended by adding a subdivision to read:

Subd. 8. [NORMAL RETIREMENT AGE.] "Normal retirement age" means the age of 60 years with regard to any member of the legislature whose service terminates prior to the beginning of the 1981 legislative session, and the age of 62 years with regard to any member of the legislature whose service terminates after the beginning of the 1981 session.

Sec. 3. Minnesota Statutes, 1977 Supplement, Section 3A.02, Subdivision 1, is amended to read:

3A.02 [RETIREMENT ALLOWANCE.] Subdivision 1. [QUALIFICATIONS.] Any former legislator:

(1) Who has served at least eight years or who has served during all or part of four regular sessions as such member of the legislature, which service need not be continuous, but must have been after January 1, 1965 except as hereinafter provided; and

(2) Who attains the *normal retirement age of 60 years* ; and

(3) Who has retired as a member of the legislature; and

(4) Who has made all contributions provided for in sections 3A.01 to 3A.10, or who has made payments in lieu of all contributions provided for in sections 3A.01 to 3A.10 as provided for in subdivision 2; shall be entitled upon written application to the director to receive a retirement allowance monthly of 40 percent of that member's *final average* monthly salary *during the final term of office as a member of the legislature* beginning with the first day of the month of receipt of such application and for the remainder of his life, provided he is not serving as a member of the legislature or as a constitutional officer or commissioner.

In addition to the amount provided above, the retired member who meets the qualifications of clauses (1), (2), (3) and (4) shall receive for every year of service over eight years a monthly allowance which equals two and one-half percent of the average monthly salary determined pursuant to clause (4).

Notwithstanding clause (4), a member shall receive two and one-half percent of the average monthly salary determined pursuant to clause (4) for each year of service served after the beginning of the 1979 legislative session ; *provided, however, that a member who has served during all or part of four regular sessions as required under clause (1) shall be deemed to have served eight years as a member of the legislature.*

The retirement allowance shall cease with the last payment which had accrued to the retired legislator during his lifetime except that the surviving spouse, if any, shall be entitled to the retirement allowance for the calendar month in which the retired legislator died.

Effective for service rendered after the beginning of the 1981 legislative session, no member may accrue credit for more than 20 years service, nor shall member contributions thereafter be required for more than 20 years service.

For the purposes of this chapter the term salary shall not be deemed to include any additional payments provided by law for legislative leadership positions.

This subdivision is applicable to members of the legislature who terminate service after January 1, 1973, and to any widow or

dependent child of any such member. Clauses (1) and (2) shall also be applicable to any former legislator who applies for a deferred annuity after June 5, 1975. Any former legislator who was in office on or after January 1, 1965, who had at least eight years of service but less than ten years of service as a member of the legislature, and who took a refund of his contributions, may upon application to the director repay to the director for credit to his account all refundments taken plus interest thereon at six percent per annum compounded annually. Upon repayment of the refundment, he shall then be entitled when otherwise qualified to a retirement allowance pursuant to subdivision 1, provided however that the retirement allowance shall be based on his salary at the time of his termination of service as a member of the legislature.

Sec. 4. Minnesota Statutes 1976, Section 3A.02, is amended by adding a subdivision to read:

Subd. 1b. [REDUCED RETIREMENT ALLOWANCE.] Upon separation from service after the beginning of the 1981 legislative session, a former member of the legislature who has attained the age of at least 60 years and who is otherwise qualified in accordance with subdivision 1 is entitled upon making written application or forms supplied by the director to a retirement allowance in an amount equal to the retirement allowance specified in subdivision 1 reduced by one half of one percent for each month that the former member of the legislature is under age 62.

Sec. 5. Minnesota Statutes 1976, Section 3A.02, Subdivision 2, is amended to read:

Subd. 2. [PAYMENT FOR PAST SERVICE.] Any member of the legislature who is a member on July 1, 1965 or thereafter, may, notwithstanding the provisions of subdivision 1, clause (1), receive credit for service rendered as a member of the legislature prior to July 1, 1965, and the pension based thereon provided that he pays to the director for credit to his account an amount equal to eight nine percent of all salary received by him for all periods of service rendered by him as a member of the legislature, even if such periods are not continuous and exceed ten years in duration. Such payment may be made at any time after the commencement of any regular session of the legislature of which he is a member.

Sec. 6. Minnesota Statutes 1976, Section 3A.02, Subdivision 4, is amended to read:

Subd. 4. [DEFERRED ANNUITIES AUGMENTATION.] The deferred annuity of any former legislator shall be augmented as provided herein. The required reserves applicable to the deferred annuity, determined as of the date the benefit begins to accrue using an appropriate mortality table and an interest assumption of five percent, shall be augmented by interest at the rate of five percent per annum compounded annually from the date of first of the month following termination of service, or July 1, 1973, whichever is later, to the first day of the month in which the annuity begins to accrue, at the rate of five percent per annum com-

pounded annually until January 1, 1981, and thereafter at the rate of three percent per annum compounded annually.

Sec. 7. Minnesota Statutes 1976, Section 3A.03, Subdivision 1, is amended to read:

3A.03 [CONTRIBUTIONS.] Subdivision 1. [PERCENTAGE.] Every member of the legislature shall contribute ~~eight~~ *nine* percent of his total salary, by payroll deduction, to be paid into the state treasury and deposited in the general fund. It shall be the duty of the director to record the periodic contributions of each member of the legislature and credit such contribution to the member's account.

Sec. 8. Minnesota Statutes, 1977 Supplement, Section 3A.04, Subdivision 1, is amended to read:

3A.04 [SURVIVOR BENEFIT.] Subdivision 1. [SURVIVING SPOUSE.] Upon the death of a member of the legislature while serving as such member after June 30, 1973, or upon the death of a former member of the legislature with at least eight years of service as required by section 3A.02, subdivision 1, clause (1), the surviving spouse shall be paid a survivor benefit in the amount of one-half of the retirement allowance of the member of the legislature computed as though the member were at least *normal retirement* age 69 on the date of his death and based upon his allowable service or eight years whichever is greater. The augmentation provided in section 3A.02, subdivision 4, if applicable, shall be applied to the month of death. Upon the death of a former legislator receiving a retirement allowance, the surviving spouse shall be entitled to one-half of the amount of the allowance being paid to the legislator. Such benefit shall be paid during the lifetime of the surviving spouse, but shall cease and terminate upon the remarriage of the surviving spouse.

Sec. 9. Minnesota Statutes, 1977 Supplement, Section 3A.04, Subdivision 2, is amended to read:

Subd. 2. [DEPENDENT CHILDREN.] Upon the death of a member of the legislature while serving as such member after June 30, 1973, or upon the death of a former member of the legislature with at least eight years of service as required by section 3A.02, subdivision 1, clause (1), each dependent child of such member shall be paid a survivor benefit in the following amount: First dependent child, a monthly allowance which equals 25 percent of the monthly retirement allowance of the member of the legislature computed as though the member were at least *normal retirement* age 68 on the date of his death and based upon his allowable service or eight years whichever is greater; for each additional dependent child, a monthly allowance which equals 12½ percent of the monthly retirement allowance of the member computed as in the case of the first child; but the total amount paid to the surviving spouse and dependent children shall not exceed in any one month 100 percent of the monthly retirement allowance of the member computed as in the case of the first child. The augmentation provided in section 3A.02, subdivision 4, if

applicable, shall be applied to the month of death. Upon the death of a former legislator receiving a retirement allowance, the surviving dependent child shall be entitled to the applicable percentage of the amount of the allowance being paid to the former legislator. The payments for dependent children shall be made to the surviving spouse or the guardian of the estate of the dependent children, if there is one. A posthumous child qualifies as a dependent child for benefits provided herein from the date of its birth.

Sec. 10. Minnesota Statutes 1976, Section 352.72, Subdivision 2, is amended to read:

Subd. 2. [COMPUTATION OF DEFERRED ANNUITY.] The deferred annuity, if any, accruing under subdivision 1, or section 352.22, subdivision 3, shall be computed in the manner provided in section 352.22, subdivision 3, and acts amendatory thereof, on the basis of allowable service prior to termination of state service and augmented as provided herein. The required reserves applicable to a deferred annuity or to an annuity for which a former employee was eligible but had not applied or to any deferred segment of an annuity shall be determined as of the date the benefit begins to accrue and augmented by interest compounded annually from the first day of the month following the month in which the employee ceased to be a state employee, or July 1, 1971, whichever is later, to the first day of the month in which the annuity begins to accrue. The rates of interest used for this purpose shall be five percent compounded annually until January 1, 1981, and thereafter three percent compounded annually. If a person has more than one period of uninterrupted service, the required reserves related to each period shall be augmented by interest pursuant to this subdivision. The sum of the augmented required reserves so determined shall be the present value of the annuity. Uninterrupted service for the purpose of this subdivision shall mean periods of covered employment during which the employee has not been separated from state service for more than two years. If a person repays a refundment, the service restored by such repayment shall be considered as continuous with the next period of service for which the employee has credit with this system. The formula percentages used for each period of uninterrupted service shall be those as would be applicable to a new employee. The mortality table and interest assumption used to compute such annuity shall be those in effect at the time the employee files application for annuity. This section shall not reduce the annuity otherwise payable under this chapter.

Sec. 11. Minnesota Statutes 1976, Section 352B.30, Subdivision 2, is amended to read:

Subd. 2. [COMPUTATION OF DEFERRED ANNUITY.] Deferred annuities shall be computed in the manner provided by this chapter and acts amendatory thereof, on the basis of allowable service prior to termination of service and augmented as provided herein. The required reserves applicable to a deferred annuity shall be augmented by interest compounded annually from

the first day of the month following the month in which the member terminated service, or July 1, 1971, whichever is later, to the first day of the month in which the annuity begins to accrue. The rates of interest used for this purpose shall be five percent per annum compounded annually until January 1, 1981, and thereafter three percent per annum compounded annually. The mortality table and interest assumption used to compute such annuity shall be those in effect at the time the member files application for annuity.

Sec. 12. Minnesota Statutes 1976, Section 352C.01, is amended to read:

352C.01 [LEGISLATIVE FINDING AND INTENT.] The legislature finds that service to Minnesota in the capacity of a constitutional officer or commissioner as defined in ~~sections 352C.01 to 352C.09~~ *section 13 of this act* constitutes a unique contribution to the state and that such service is dissimilar to any other public employment. The legislature further finds that service as a constitutional officer or commissioner for a period of ~~ten~~ *eight* years or longer deprives the individual so serving of normal opportunities to establish retirement benefits in his usual vocational pursuit and justifies adoption of special retirement provisions. The provisions of ~~sections 352C.01 to 352C.09~~ *this chapter* are intended by the legislature to reflect the unique nature of service as a constitutional officer or commissioner and to have due regard for the unusual disruption of normal retirement planning that such service entails.

Sec. 13. Minnesota Statutes 1976, Chapter 352C, is amended by adding a section to read:

[352C.021] [DEFINITIONS.] *Subdivision 1. For purposes of this chapter, the following terms shall have the meanings given to them unless the language or context clearly indicates that a different meaning is intended.*

Subd. 2. [CONSTITUTIONAL OFFICER.] "Constitutional officer" means a person who was duly elected and qualified and is serving as governor, lieutenant governor, attorney general, secretary of state, state auditor or state treasurer of the state of Minnesota.

Subd. 3. [COMMISSIONER.] "Commissioner" means a person who was duly elected and qualified and is serving as an elected member of the public service commission of the state of Minnesota.

Subd. 4. [FORMER CONSTITUTIONAL OFFICER OR COMMISSIONER.] "Former constitutional officer or commissioner" means a person who has ceased to be a constitutional officer or commissioner subsequent to April 21, 1976 for any reason, including but not limited to the expiration of the term of office for which the person was elected, retirement or death.

Subd. 5. [SURVIVING SPOUSE.] "Surviving spouse" means the unmarried spouse of a deceased constitutional officer or commissioner or former constitutional officer or commissioner.

Subd. 6. [DEPENDENT CHILD.] "Dependent child" means any natural or adopted child of a deceased constitutional officer or commissioner or a deceased former constitutional officer or commissioner who is under the age of 18, or who is under the age of 22 and is a full time student, and who in either case is unmarried and was actually dependent for more than one half of his support upon the constitutional officer or commissioner or the former constitutional officer or commissioner for a period of at least 90 days immediately prior to the death of the constitutional officer or commissioner or the former constitutional officer or commissioner. The term shall also include a posthumous child of the constitutional officer or commissioner or the former constitutional officer or commissioner.

Subd. 7. [ALLOWABLE SERVICE.] "Allowable service" means any years or months of service as a constitutional officer or as a commissioner, for which service the person made the contributions required by section 352C.09 on a current basis. The service need not be continuous. For any constitutional officer or commissioner or former constitutional officer or commissioner in office on or before July 1, 1967, allowable service shall include any service as a constitutional officer or commissioner prior to July 1, 1967 notwithstanding that the person did not make concurrent contributions as required by section 352C.09.

Subd. 8. [DIRECTOR.] "Director" means the executive director of the Minnesota state retirement system.

Sec. 14. Minnesota Statutes 1976, Chapter 352C, is amended by adding a section to read:

[352C.0311] [RETIREMENT ALLOWANCE.] *Subdivision 1. [UNREDUCED RETIREMENT ALLOWANCE.] Upon separation from service, a former constitutional officer or commissioner who has attained the age of at least 62 years and who has at least eight years of allowable service is entitled upon making written application on forms supplied by the director to a normal retirement allowance.*

Subd. 2. [REDUCED RETIREMENT ALLOWANCE.] Upon separation from service, a former constitutional officer or commissioner who has attained the age of at least 60 years and who has at least eight years of allowable service is entitled upon making written application on forms supplied by the director to a retirement allowance in an amount equal to a normal retirement allowance reduced by one half of one percent for each month that the former constitutional officer or commissioner is under age 62.

Subd. 3. [AVERAGE SALARY.] Average salary for purposes of calculating the normal retirement allowance pursuant to subdivision 4 shall mean the average of the highest five successive years of salary upon which contributions have been made pursuant to section 352C.09.

Subd. 4. [RETIREMENT ALLOWANCE FORMULA.] The average salary multiplied by two and one half percent for each year

of allowable service and pro rata for completed months less than a full year shall determine the amount of the normal retirement allowance.

Subd. 5. [BENEFIT ACCRUAL AND TERMINATION.] The benefit shall begin to accrue the first day of the month in which the application is received by the director but in no event earlier than the day following the termination of service or the attainment of the age required to receive such benefit, whichever is later. Thereafter, benefits shall be paid on the first day of each calendar month for that month. The benefit shall cease with the payment for the month in which the retired constitutional officer or commissioner died.

Sec. 15. Minnesota Statutes 1976, Chapter 352C, is amended by adding a section to read:

[352C.033] [DEFERRED ANNUITIES AUGMENTATION.] *The deferred retirement allowance for any former constitutional officer or commissioner shall be augmented as provided in this section. The required reserves applicable to the deferred retirement allowance, determined as of the date the retirement allowance begins to accrue using the appropriate mortality table and an interest assumption of five percent, shall be augmented from the first of the month following termination of service as a constitutional officer or commissioner, or January 1, 1979, whichever is later, to the first day of the month in which the annuity begins to accrue, at the rate of five percent per annum compounded annually until January 1, 1981, and thereafter at the rate of three percent per annum compounded annually.*

Sec. 16. Minnesota Statutes 1976, Section 352C.04, Subdivision 1, is amended to read:

352C.04 [SPOUSE'S AND DEPENDENT CHILDREN'S SURVIVOR BENEFITS.] Subdivision 1. [SURVIVING SPOUSE BENEFIT.] *Upon the death of a constitutional officer or commissioner while serving in such office, or a former constitutional officer or commissioner with at least eight years of allowable service, the surviving spouse is entitled to a survivor benefit in the amount of one-half of the retirement allowance of such the constitutional officer or commissioner or the former constitutional officer or commissioner computed as though such the constitutional officer or commissioner or the former constitutional officer or commissioner were at least age 65 62 on the date of death and based upon the attained allowable service or eight years, whichever is greater. The augmentation provided in section 15 of this act, if applicable, shall be applied to the month of death. Upon the death of a former constitutional officer or commissioner receiving a retirement allowance, the surviving spouse shall be entitled to one half of the amount of the retirement allowance being paid to the former constitutional officer or commissioner as of the date of death. Such benefit shall be paid to a surviving spouse eligible therefor during the remainder of the spouse's natural life or until remarriage. Upon remarriage such spouse shall no longer be eligible*

for such benefit except as provided in Minnesota Statutes, 1975 Supplement, Section 356.31.

Sec. 17. Minnesota Statutes 1976, Section 352C.04, Subdivision 2a, is amended to read:

Subd. 2a. [SURVIVING DEPENDENT CHILD BENEFIT.]
Upon the death of a constitutional officer or commissioner while serving in such office, or a former constitutional officer or commissioner with at least eight years of allowable service, each dependent child of such deceased constitutional officer or commissioner shall be paid a survivor benefit in the following amount: First dependent child, a monthly benefit which equals 25 percent of the monthly retirement allowance of the constitutional officer or commissioner computed as though the constitutional officer or commissioner or the former constitutional officer or commissioner were at least age 65 62 on the date of his death and based upon the attained allowable service for or eight years, whichever is greater; for each additional dependent child or a monthly benefit which equals 12½ percent of the monthly retirement allowance of the constitutional officer or commissioner or the former constitutional officer or commissioner computed as in the case of the first child; but the total amount paid to the surviving spouse and dependent children shall not exceed in any one month 100 percent of the monthly allowance of the constitutional officer or commissioner or the former constitutional officer or commissioner computed as in the case of the first child. *The augmentation provided in section 15 of this act, if applicable, shall be applied to the month of death.* Upon the death of a former constitutional officer or commissioner receiving a retirement allowance, the surviving dependent child shall be entitled to the applicable percentage of the amount of the retirement allowance being paid to the former constitutional officer or commissioner as of the date of death. The payments for dependent children shall be made to the surviving spouse or the guardian of the estate of the dependent child, if there is one. A posthumous child qualifies as a dependent child for benefits provided herein from the date of its birth.

Sec. 18. Minnesota Statutes 1976, Section 352C.04, is amended by adding a subdivision to read:

Subd. 4. [APPLICATION FOR SURVIVOR BENEFITS.]
A surviving spouse or a guardian of the estate of the dependent child or children entitled to the payment of benefits under this section shall file an application for the benefit with the director, and payment shall commence as of the first day of the month next following the filing of the application and shall be retroactive to the first of the month following the death of the constitutional officer or commissioner or the former constitutional officer or commissioner; provided, however, that no payment shall be retroactive for more than 12 months prior to the month in which the application is filed with the director. Such benefits shall be paid on the first day of each calendar month for that month. The surviving spouse benefit shall cease with the payment for the month in which the surviving spouse dies or remarries as the case

may be. The dependent child's benefit shall cease with the payment for the month in which the child no longer qualifies for payment as a dependent child.

Sec. 19. Minnesota Statutes 1976, Chapter 352C, is amended by adding a section to read:

[352C.051] [COVERAGE BY MORE THAN ONE RETIREMENT SYSTEM OR ASSOCIATION.] *Subdivision 1. [ENTITLEMENT TO ANNUITY; LEGISLATIVE SERVICE.] Any constitutional officer or commissioner who has been a member of the legislature with service credited pursuant to chapter 3A shall be entitled when qualified to a retirement allowance from the legislator's retirement plan and the elective state officers plan if the total allowable service for which the person has credit in the two plans totals eight or more years, provided that no portion of the allowable service upon which the retirement allowance from one plan is based, is again used in the computation for benefits from the other plan. The retirement allowance from each plan shall be determined by the appropriate provisions of the law governing each plan, except that the requirement that a person must have at least eight years of allowable service in the respective plan shall not apply for purposes of this section, provided that the aggregate service in the two plans equals eight or more years. The augmentation of deferred annuities provided in section 3A.02, subdivision 4, and section 15 of this act, shall apply to the retirement allowances accruing hereunder.*

Subd. 2. [ENTITLEMENT TO ANNUITY; PUBLIC RETIREMENT SERVICE.] Any constitutional officer or commissioner who has been an employee covered by the Minnesota state retirement system, or a member of the public employees retirement association including the public employees retirement association police and fire fund, or the teachers retirement association, or the Minneapolis municipal employees retirement fund, or the highway patrol retirement association, or any other public employee retirement system in the state of Minnesota having a like provision, but excluding all other funds providing retirement benefits for police and firefighters, shall be entitled when qualified to an annuity from each fund if the person's total allowable service for which he has credit in all funds or in any two of these funds totals ten or more years, provided no portion of the allowable service upon which the retirement annuity from one fund is based is again used in the computation for benefits from another fund. The annuity from each fund shall be determined by the appropriate provisions of the law governing each fund, except that the requirement that a person must have at least ten years allowable service in the respective system or association shall not apply for the purposes of this section, provided that the aggregate service in two or more of these funds equals ten or more years. The augmentation of deferred annuities provided in section 15 of this act shall apply to the annuities accruing hereunder.

Subd. 3. [REFUND REPAYMENT.] Any former constitutional officer or commissioner who has received a refund as pro-

vided in section 352C.09, subdivision 2, who is a currently contributing member of a retirement fund specified or enumerated in subdivisions 1 or 2, may repay the refund to the elective state officers retirement plan with interest at six percent per annum compounded annually.

Sec. 20. Minnesota Statutes 1976, Section 352C.09, Subdivision 1, is amended to read:

352C.09 [CONTRIBUTIONS.] Subdivision 1. Every constitutional officer or commissioner shall contribute eight percent of his or her total salary beginning the first full pay period after July 1, 1976, and nine percent of his or her total salary beginning the first full pay period after January 1, 1979, by payroll deduction, to be paid into the state treasury and deposited in the general fund. In case of retirement any unpaid deductions shall be deducted from any retirement allowance that becomes payable. All deductions and payments, if any, in lieu of deductions are to be paid into the state treasury and deposited in the general fund. It shall be the duty of the executive director of the Minnesota state retirement system to record the contributions of each constitutional officer or commissioner and credit such contribution to such officer's or commissioner's account.

Sec. 21. Minnesota Statutes 1976, Section 352C.09, Subdivision 2, is amended to read:

Subd. 2. (1) Any person who has made contributions pursuant to subdivision 1 who is no longer a constitutional officer or commissioner and is not receiving ; and has not received, or is not entitled to receive any allowance or benefit under the provisions of sections ~~352C.01 to 352C.09~~ *this chapter* is entitled to receive upon application to the executive director of the Minnesota state retirement system a ~~refundment~~ *refund* of all contributions credited to his account without interest thereon. The moneys required for such ~~refundments~~ *refunds* are appropriated annually to the director from the general fund in the state treasury.

(2) The ~~refundment~~ *refund* of contributions as provided in clause (1) above terminates all rights of a former constitutional officer or commissioner or his survivors under the provisions of sections ~~352C.01 to 352C.09~~ *this chapter* . Should the former constitutional officer or commissioner again hold such office after having taken a ~~refundment~~ *refund* as provided above, he shall be considered a new member for all purposes and such ~~refundment~~ *refund* may not be repaid for any credit or benefit whatever.

(3) No person shall be required to apply for or accept a ~~refundment~~ *refund* .

Sec. 22. Minnesota Statutes 1976, Section 352C.091, is amended by adding a subdivision to read:

Subd. 3. Sections 12 to 22 shall apply to constitutional officers and commissioners in office on and after July 1, 1977. Any constitutional officer or commissioner in office on the effective date of this act shall be entitled to elect to have his retirement allowance

computed pro rata under the provisions of Minnesota Statutes 1976, Chapter 352C for all service prior to the effective date of this act and the provisions of this chapter, as amended by this act, for all service subsequent to the effective date of this act, or to have his retirement allowance computed entirely under the provisions of this chapter, as amended by this act. Any former constitutional officer or commissioner who terminated active service prior to July 1, 1977 but has not yet applied to receive a retirement allowance under the provisions of this chapter shall be entitled to apply for and commence receipt of a retirement allowance at the age specified in section 14, subdivision 1, of this act, be covered by the deferred annuities augmentation provision contained in section 15 of this act, and be included in the coverage by more than one retirement system provision set forth in section 19 of this act."

Page 15, after line 5, insert:

"Sec. 39. Minnesota Statutes 1976, Section 353.71, Subdivision 2, is amended to read:

Subd. 2. [DEFERRED ANNUITY COMPUTATION; AUGMENTATION.] The deferred annuity, if any, accruing under subdivision 1, or sections 353.34, subdivision 3, and 353.68, subdivision 4, shall be computed in the manner provided in said sections, on the basis of allowable service prior to termination of public service and augmented as provided herein. The required reserves applicable to a deferred annuity, or to an annuity for which a former member was eligible but had not applied, or to any deferred segment of an annuity shall be determined as of the date the annuity begins to accrue and shall be augmented by interest at the rate of five percent per annum compounded annually from the first day of the month following the month in which the former member ceased to be a public employee, or July 1, 1971, whichever is later, to the first day of the month in which the annuity begins to accrue, at the rate of five percent per annum compounded annually until January 1, 1981, and thereafter at the rate of three percent per annum compounded annually. If a person has more than one period of uninterrupted service, the required reserves related to each period shall be augmented by interest pursuant to this subdivision. The sum of the augmented required reserves so determined shall be the present value of the annuity. Uninterrupted service for the purpose of this subdivision shall mean periods of covered employment during which the employee has not been separated from public service for more than two years. If a person repays a refund, the service restored thereby shall be considered as continuous with the next period of service for which the employee has credit with this association. The formula percentages used for each period of uninterrupted service shall be those as would be applicable to a new employee. This section shall not reduce the annuity otherwise payable under this chapter. This subdivision shall apply to deferred annuitants of record on July 1, 1971 and to employees who thereafter become deferred annuitants; it shall also apply from July 1, 1971 to former members who make application for an annuity after July 1, 1973."

Page 16, after line 5, insert:

“Sec. 42. Minnesota Statutes 1976, Section 354.55, Subdivision 11, is amended to read:

Subd. 11. Any person covered under section 354.44, subdivisions 6 and 7, who ceases or has ceased to render teaching service may leave his accumulated deductions in the fund for the purpose of receiving a deferred annuity at retirement. Eligibility for such an annuity shall be determined by the provisions of section 354.44, subdivision 1, or section 354.60.

The amount of the deferred retirement annuity shall be determined by section 354.44, subdivisions 6 and 7, and augmented as provided herein. The required reserves related to that portion of the annuity which had accrued at the time the member ceased to render teaching service shall be augmented by interest compounded annually from the first day of the month following the month during which the member ceased to render teaching service to the effective date of retirement. There shall be no augmentation if this period is less than three months. The rates of interest used for this purpose shall be five percent commencing July 1, 1971, *until January 1, 1981, and three percent thereafter*. If a person has more than one period of uninterrupted service, the required reserves related to each period shall be augmented by interest pursuant to this subdivision. The sum of the augmented required reserves so determined shall be the basis for purchasing the deferred annuity. If a person does not render teaching service in any one or more consecutive fiscal years and then resumes teaching service, the formula percentages used from date of resumption will be those applicable to new members. The mortality table and interest assumption contained therein used to compute such annuity will be determined by the law in effect at the time of the member's retirement. A period of uninterrupted service for the purposes of Laws 1971, Chapter 87 shall mean a period of covered teaching service during which the member has not been separated from such service for more than one fiscal year.

The provisions of this subdivision shall not apply to variable account accumulations as defined in section 354.05, subdivision 23.

In no case shall the annuity payable herein be less than the amount of annuity payable pursuant to section 354.44, subdivisions 6 and 7.

The requirements and provisions for retirement prior to age 65 contained in section 354.44, subdivision 6, clause (2) shall also apply to an employee fulfilling such requirements with a combination of service as provided in section 354.60.”

Page 16, after line 24, insert:

“Sec. 44. Minnesota Statutes 1976, Section 422A.16, Subdivision 10, is amended to read:

Subd. 10. All deferred allowances granted under this section shall be calculated as of the date of separation and shall be increased by the interest assumption rate provided for in chapter 356 *until Jan-*

uary 1, 1981, and thereafter by the interest rate of three percent per year compounded annually.”

Page 16, after line 26, insert:

“Sec. 46. [REPEALER.] *Minnesota Statutes 1976, Sections 352C.02; 352C.03; 352C.05; 352C.06; and 352C.08, are repealed.*”

Page 16, strike lines 27 through 32, and insert:

“Sec. 47. *Sections 1, 2, 3, 4, 6, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 21 and 22 shall be effective the day following final enactment. Sections 23, 24, 25, 26, 29, 30, 31, 32, 33, 34, 35, 36, 37, 40, 41, 43 and 45 shall be effective July 1, 1978. Sections 5, 7 and 20 shall be effective January 1, 1979. Any person who was a member pursuant to section 353.01, subdivision 16, clause (3) prior to the election authorized by section 27 and was a basic member shall remain a basic member notwithstanding the contrary provisions of section 353.017, subdivision 1. The reduced augmentation rates and the augmentation rate added to the elected state officers plan shall apply to persons who are already on deferred status as of December 31, 1980, as well as to persons who terminate public service thereafter, but shall have no effect on rates of augmentation for periods of deferral prior to December 31, 1980.*”

Page 17, strike line 1

Renumber the sections in sequence

Further, strike the title and insert the following:

“A bill for an act relating to retirement; miscellaneous amendments; administrative amendments to the public employees retirement law; modifying the rate of deferred annuity augmentation; modifying certain benefits and increasing contributions for legislators retirement; improving benefits and increasing contributions for constitutional officers; amending Minnesota Statutes 1976, Sections 3A.01, by adding subdivisions; 3A.02, Subdivisions 2 and 4, and by adding a subdivision; 3A.03, Subdivision 1; 352.72, Subdivision 2; 352B.30, Subdivision 2; 352C.01; 352C.04, Subdivisions 1, 2a, and by adding a subdivision; 352C.09, Subdivisions 1 and 2; 352C.091, by adding subdivisions; 353.01, Subdivisions 12, 16, and 20; 353.017, Subdivision 2; 353.30, Subdivision 1b, and by adding a subdivision; 353.31, Subdivision 1; 353.32, Subdivisions 5 and 9; 353.33, Subdivision 11; 353.34, Subdivision 6; 353.656, Subdivision 6; 353.657, Subdivision 1; 353.71, Subdivision 2; 354.-41, Subdivision 6, and by adding a subdivision; 354.55, Subdivision 11; 356.32, Subdivision 1; 422A.16, Subdivision 10; Chapter 352C, by adding sections; and Minnesota Statutes, 1977 Supplement, Sections 3A.02, Subdivision 1; 3A.04, Subdivisions 1 and 2; and 353.01, Subdivision 2b; 353.03, Subdivision 1; and 353.36, Subdivision 2; repealing Minnesota Statutes 1976, Sections 352C.02; 352C.03; 352C.05; 352C.06; 352C.08; and Minnesota Statutes, 1977 Supplement, Section 353.32, Subdivision 7.”

Mr. Nichols moved to amend the Strand amendment to H. F. No. 1861 as follows:

Page 1, line 7, strike “whose service terminates prior to”

Page 1, strike lines 8 to 12

Page 1, line 13, strike "the 1981 legislative session"

Page 1, line 15, strike "after the"

Page 1, strike lines 16 and 17

Page 1, line 18, strike "than five years"

The question was taken on the adoption of the Nichols amendment to the Strand amendment.

The roll was called, and there were yeas 7 and nays 48, as follows:

Those who voted in the affirmative were:

Benedict	Luther	Nichols	Penny	Ulland, J.
Knoll	Nelson			

Those who voted in the negative were:

Anderson	Frederick	Laufenburger	Perpich	Spear
Bang	Gearty	Lessard	Peterson	Staples
Bernhagen	Gunderson	Lewis	Purfeerst	Stokowski
Borden	Hanson	McCutcheon	Schaaf	Strand
Brataas	Hughes	Menning	Schmitz	Stumpf
Chenoweth	Johnson	Merriam	Schrom	Ueland, A.
Chmielewski	Keefe, S.	Moe	Setzepfandt	Wegener
Coleman	Kirchner	Ogdahl	Sieloff	Willet
Dieterich	Kleinbaum	Olhoft	Sillers	
Dunn	Knutson	Olson	Solon	

The motion did not prevail. So the Nichols amendment to the Strand amendment was not adopted.

The question recurred on the Strand amendment.

The question was taken on the adoption of the Strand amendment.

The roll was called, and there were yeas 49 and nays 10, as follows:

Those who voted in the affirmative were:

Bang	Gunderson	Knutson	Olson	Spear
Benedict	Hanson	Lessard	Penny	Staples
Bernhagen	Hughes	Luther	Peterson	Stokowski
Borden	Jensen	Menning	Pillsbury	Strand
Brataas	Johnson	Merriam	Renneke	Stumpf
Coleman	Keefe, S.	Moe	Schaaf	Ueland, A.
Dieterich	Kirchner	Nelson	Schmitz	Ulland, J.
Dunn	Kleinbaum	Nichols	Setzepfandt	Vega
Frederick	Knaak	Ogdahl	Sieloff	Willet
Gearty	Knoll	Olhoft	Sillers	

Those who voted in the negative were:

Anderson	Laufenburger	McCutcheon	Purfeerst	Solon
Chenoweth	Lewis	Perpich	Schrom	Wegener

The motion prevailed. So the amendment was adopted.

Mr. Frederick moved to amend H. F. No. 1861, as amended pursuant to Rule 49, adopted by the Senate March 14, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1654.)

Pages 6 to 9, strike section 6

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 13, strike "353.03, Subdivision 1;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 18 and nays 34, as follows:

Those who voted in the affirmative were:

Bang	Engler	Knaak	Purfeerst	Ulland, J.
Bernhagen	Frederick	Knutson	Sieloff	Willet
Brataas	Jensen	Laufenburger	Sillers	
Dunn	Kirchner	Pillsbury	Ueland, A.	

Those who voted in the negative were:

Anderson	Gunderson	Lessard	Olson	Spear
Benedict	Hanson	Luther	Penny	Staples
Chenoweth	Hughes	Menning	Peterson	Stokowski
Chmielewski	Johnson	Moe	Schaaf	Strand
Coleman	Keefe, S.	Nelson	Schmitz	Stumpf
Dieterich	Kleinbaum	Nichols	Setzepfandt	Vega
Gearty	Knoll	Olhoft	Solon	

The motion did not prevail. So the amendment was not adopted.

The question was taken on the recommendation to pass H. F. No. 1861.

The roll was called, and there were yeas 54 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Knutson	Olson	Solon
Bang	Gunderson	Laufenburger	Penny	Spear
Benedict	Hanson	Lessard	Peterson	Staples
Bernhagen	Hughes	Luther	Pillsbury	Stokowski
Brataas	Jensen	Menning	Purfeerst	Strand
Chenoweth	Johnson	Merriam	Renneke	Stumpf
Coleman	Keefe, S.	Moe	Schaaf	Ulland, A.
Dieterich	Kirchner	Nelson	Schmitz	Ulland, J.
Dunn	Kleinbaum	Nichols	Setzepfandt	Vega
Engler	Knaak	Ogdahl	Sieloff	Willet
Frederick	Knoll	Olhoft	Sillers	

Messrs. Chmielewski, McCutcheon and Schrom voted in the negative.

The motion prevailed. So H. F. No. 1861 was recommended to pass.

On motion of Mr. Coleman, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

RECESS

Mr. Coleman moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

Without objection, the Senate reverted to the Order of Business of Messages from the House and First Reading of House Bills.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, herewith returned: S. F. No. 2078

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 15, 1978

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 2192.

H. F. No. 2192: A bill for an act relating to transportation; establishing a rail user loan guarantee program; creating a rail user loan guarantee account; prescribing powers and duties of the commissioner of transportation; appropriating money; amending Minnesota Statutes 1976, Sections 362A.01, Subdivision 2; and 474.02, Subdivision 2.

And the House respectfully requests that a Conference Committee of three members be appointed thereon:

Stanton; Anderson, B. and Esau have been appointed as such committee on the part of the House.

House File No. 2192 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 15, 1978

Mr. Penny moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 2192, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1859.

H. F. No. 1859: A bill for an act relating to retirement; providing for an exclusion from public pension coverage for those persons covered by certain federal public service employment programs in compliance with federal regulations; establishment of reserve accounts for certain provisional members; amending Minnesota Statutes 1976, Sections 69.29; 136.80, Subdivision 1; 352B.01, Subdivision 2; 353.64, by adding a subdivision; 354A.10; 423.23; 423.372; 423.43; 423.801, Subdivision 2; 424.03; Chapter 356, by adding sections; and Laws 1969, Chapter 950, Section 1; Minnesota Statutes, 1977 Supplement,

Sections 352.01, Subdivision 2B; 353.01, Subdivision 2b; 354.05, Subdivision 2; and 422A.09, Subdivision 3.

And the House respectfully requests that a Conference Committee of three members be appointed thereon:

Patton, Beauchamp and Moe have been appointed as such committee on the part of the House.

House File No. 1859 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted March 15, 1978

Mr. Strand moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1859, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1722: A bill for an act relating to education; providing educational aids for children attending nonpublic schools; appropriating money; amending Minnesota Statutes 1976, Sections 120.17, Subdivision 9; 123.931; 123.932, Subdivision 7, and by adding subdivisions; 123.933; 123.935; 123.936; 123.937; 124.212, by adding a subdivision; and Chapter 123, by adding sections; Minnesota Statutes, 1977 Supplement, Sections 124.212, Subdivision 9a; and 124.223; repealing Minnesota Statutes 1976, Sections 123.932, Subdivisions 1, 2, 6 and 8; 123.934; and Laws 1977, Chapter 447, Article VI, Section 12.

Senate File No. 1722 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned March 15, 1978

Mr. Kleinbaum moved that the Senate do not concur in the amendments by the House to S. F. No. 1722 and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce 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. 1891: A bill for an act relating to taxation; property

tax; exempting certain cities containing utility plants from per capita levy limitations; amending Minnesota Statutes 1976, Section 275.11, by adding a subdivision.

Senate File No. 1891 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned March 15, 1978

Mr. Dunn moved that the Senate do not concur in the amendments by the House to S. F. No. 1891 and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce 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. 1864: A bill for an act relating to state employees; improving testing procedures; tightening provisions relating to provisional appointments; providing for a pilot reliability-based band width certification program; altering certain requirements for appointment and benefit eligibility; establishing special procedures for filling certain positions; providing for modified reimbursements of costs; providing notification of appeal rights; appropriating money; amending Minnesota Statutes 1976, Sections 43.13, Subdivision 1, and by adding a subdivision; 43.14, Subdivision 1; 43.18; 43.19, Subdivision 1; 43.20, Subdivisions 2, 3, 5, and by adding a subdivision; 43.24, Subdivision 1; 43.32, Subdivision 11; 43.327, Subdivisions 1 and 2; 43.491, by adding a subdivision; and Chapter 43, by adding a section.

Senate File No. 1864 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned March 15, 1978

Mr. Chenoweth moved that the Senate do not concur in the amendments by the House to S. F. No. 1864 and that a Conference Committee of 3 members be appointed by the Subcommittees 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 House Files herewith transmitted: H. F. Nos. 2089, 2139, 2267, 1243.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted March 15, 1978

FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H. F. No. 2089: A bill for an act relating to county agricultural societies; providing for tort liability of county agricultural societies; authorizing county boards to levy a tax to pay certain judgments or liability insurance premiums; amending Minnesota Statutes 1976, Sections 38.27, by adding a subdivision; 466.01, Subdivision 1; and Chapter 38, by adding a section.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1721 now on General Orders.

H. F. No. 2139: A bill for an act relating to emergency services; authorizing the division of emergency services to enter into an agreement with the federal disaster assistance administration for the maintenance of the Minnesota natural disaster assistance plan; appropriating money.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1992 now in the Subcommittee on Bill Scheduling.

H. F. No. 2267: A bill for an act relating to emergency telephone systems; providing for the payment of certain costs of operating emergency telephone systems; amending Minnesota Statutes, 1977 Supplement, Section 403.11.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 2128 now in the Subcommittee on Bill Scheduling.

H. F. No. 1243: A bill for an act relating to public utilities; providing lifeline rates for electricity and natural gas; providing exemptions for electrical cooperatives; amending Minnesota Statutes 1976, Chapter 216B, by adding a section.

Referred to the Committee on Commerce.

APPOINTMENTS

Mr. Coleman from the Subcommittee on Committees recommends that the following Senators be and they hereby are appointed as a Conference Committee on:

H. F. No. 2196: Messrs. Menning, Anderson, Luther, Pillsbury and Willet.

H. F. No. 2527: Messrs. Moe; Willet; Purfeerst; Keefe S. and Keefe, J.

H. F. No. 2098: Mmes. Staples, Brataas, and Mr. Chenoweth.

H. F. No. 2250: Messrs. McCutcheon, Hanson, Johnson, Stokowski, and Sillers.

Mr. Coleman moved that the foregoing appointments be approved. The motion prevailed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Menning moved that his name be stricken as co-author to S. F. No. 1277. The motion prevailed.

Mr. Knoll moved that the name of Mr. Anderson be stricken as co-author and Mr. Lessard be added as co-author to S. F. No. 1806. The motion prevailed.

Messrs. Pillsbury and Anderson introduced—

Senate Resolution No. 30: A Senate resolution proclaiming May 3 as Sun Day in the State of Minnesota.

Referred to the Committee on Rules and Administration.

Mr. Coleman moved that the Senate do now adjourn until 10:00 o'clock a.m., Thursday, March 16, 1978. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate